

V I S 2

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF EOG RESOURCES, INC.
FOR COMPULSORY POOLING, NON-STANDARD
SPACING AND PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

CASE NO. 20829

AFFIDAVIT

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Charles Moran, being duly sworn, deposes and states:

1. I am over the age of 18, I am a Land Advisor for EOG Resources Inc., and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and my credentials as an expert petroleum landman were accepted by the division as a matter of record.

2. My area of responsibility of EOG Resources Inc. included the area of Lea County in New Mexico.

3. I am familiar with the application filed with EOG Resources Inc. in these cases.

4. I am familiar with the status of the lands that are subject to these applications.

5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling applications.

6. The only working interest owner who is sought to be pooled is OXY Y-1 Company, which has signed an AFE for the proposed wells, but has failed or refused to voluntarily execute a Joint Operating Agreement. There are no overriding royalty interest owners subject to pooling. Attached hereto as **Exhibit 6** are waivers of pooling from the overriding royalty interest owners.

7. EOG Resources Inc. seeks to force pool the OXY Y-1 working interest within the Bone Spring Formation horizontal spacing unit underlying the E/2 of Sections 26 and 35, Township 25 South, Range 32 East, NMPM, Lea county, New Mexico. This spacing unit will be dedicated to the following wells:

- a) The proposed **Fearless 26 Fed Com #503H** to be horizontally drilled to a depth, sufficient to test the 2nd Bone Spring B sand from an orthodox SHL 378' FNL & 1,696' FEL of Section 26 and BHL 100' FSL & 1,277' FEL of Section 35;
- b) The proposed **Fearless 26 Fed Com #504H** to horizontally drilled to a depth, sufficient to test the 2nd Bone Spring B sand from an orthodox SHL 367' FNL & 1,729' FEL of Section 26 and BHL 100' FSL & 2,120' FEL of Section 35.
- c) Attached hereto as **Exhibits 1 and 2** are the C-102's for both wells.

8. There are no depth severances underlying the proposed spacing unit for the wells.

9. A lease tract map outlining the unit being pooled is attached hereto as **Exhibit 3**.

The parties being pooled and the percent of their interests is also included as part of Exhibit 3.

10. EOG Resources Inc. have conducted a diligent search of the public records in the county where the wells are located and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals, including an Authorization for Expenditure.

11. In my opinion, EOG Resources Inc. has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

12. **Exhibit 4** is a copy of a proposal letter sent to OXY Y-1 Company, which were sent on May 28, 2019, together with the AFE's for the proposed wells.

13. The proposal letter identified the proposed first and last take points and approximate TVD.

14. **Exhibit 5** contains the Authorization for Expenditure for the proposed wells. The estimated cost of the wells set forth therein is fair and reasonable and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico. For purposes of this hearing the costs on AFE for the Fearless 26 Fed Com #503H are the estimated costs for a two mile lateral well and are the applicable costs for the Fearless 26 Fed Com #504H despite the AFE attached for the well. The AFE for the Fearless 26 Fed Com #504H is based on costs for a one mile well and the 504H well was drilled as a two mile well. These facts were communicated to OXY Y-1 Company and they agreed to participate in both wells as two mile wells. EOG Resources Inc. requests overhead and administrative rates of \$8,000.00/month for drilling a well and \$800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. EOG Resources Inc. requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

15. EOG Resources Inc. requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

16. EOG Resources Inc. requests that it be designated operator of the wells.

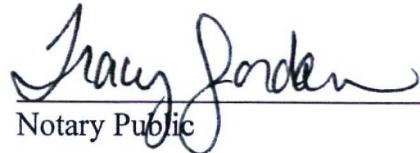
17. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.

18. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

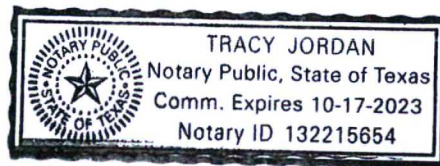
19. The granting of this application is in the interests of conservation and the prevention of waste.


CHARLES MORAN

SUBSCRIBED AND SWORN to before me this 13th day of November, 2019 by CHARLES MORAN on behalf of EOG Resources Inc.


Notary Public

My Commission Expires:
10-17-23



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-45505		² Pool Code [97903]	³ Pool Name WC-025 G-08 S253235G; LWR BONE SPRIN
⁴ Property Code 324860	⁵ Property Name FEARLESS 26 FED COM		⁶ Well Number 503H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.		⁹ Elevation 3401'

¹⁰Surface Location

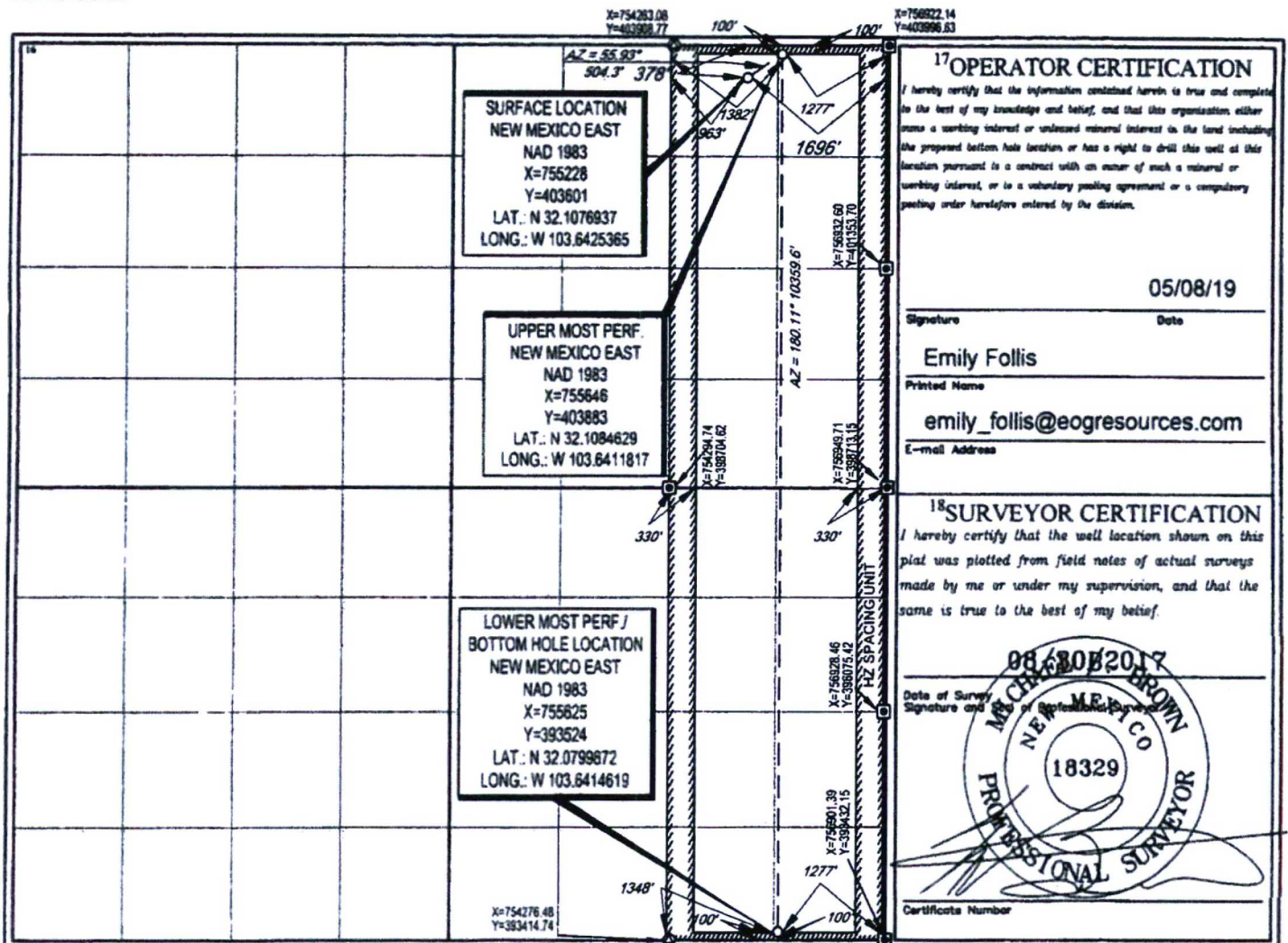
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	25-S	32-E	-	378'	NORTH	1696'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	35	25-S	32-E	-	100'	SOUTH	1277'	EAST	LEA

¹² Dedicated Acres 640.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Date: 05/08/19
Signature: _____
Printed Name: Emily Follis
E-mail Address: emily_follis@eogresources.com

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

Date of Survey: 05/30/2017
Signature: _____
Professional Surveyor Seal: 18329
Certificate Number: _____

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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811 S. First St., Artesia, NM 88210
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
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Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3002545506		Pool Code 97903	Pool Name WC-024 G-08 52532355; LWR DS
Property Code 324860	Property Name FEARLESS 26 FED COM		Well Number 504H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.		Elevation 3399'

10 Surface Location

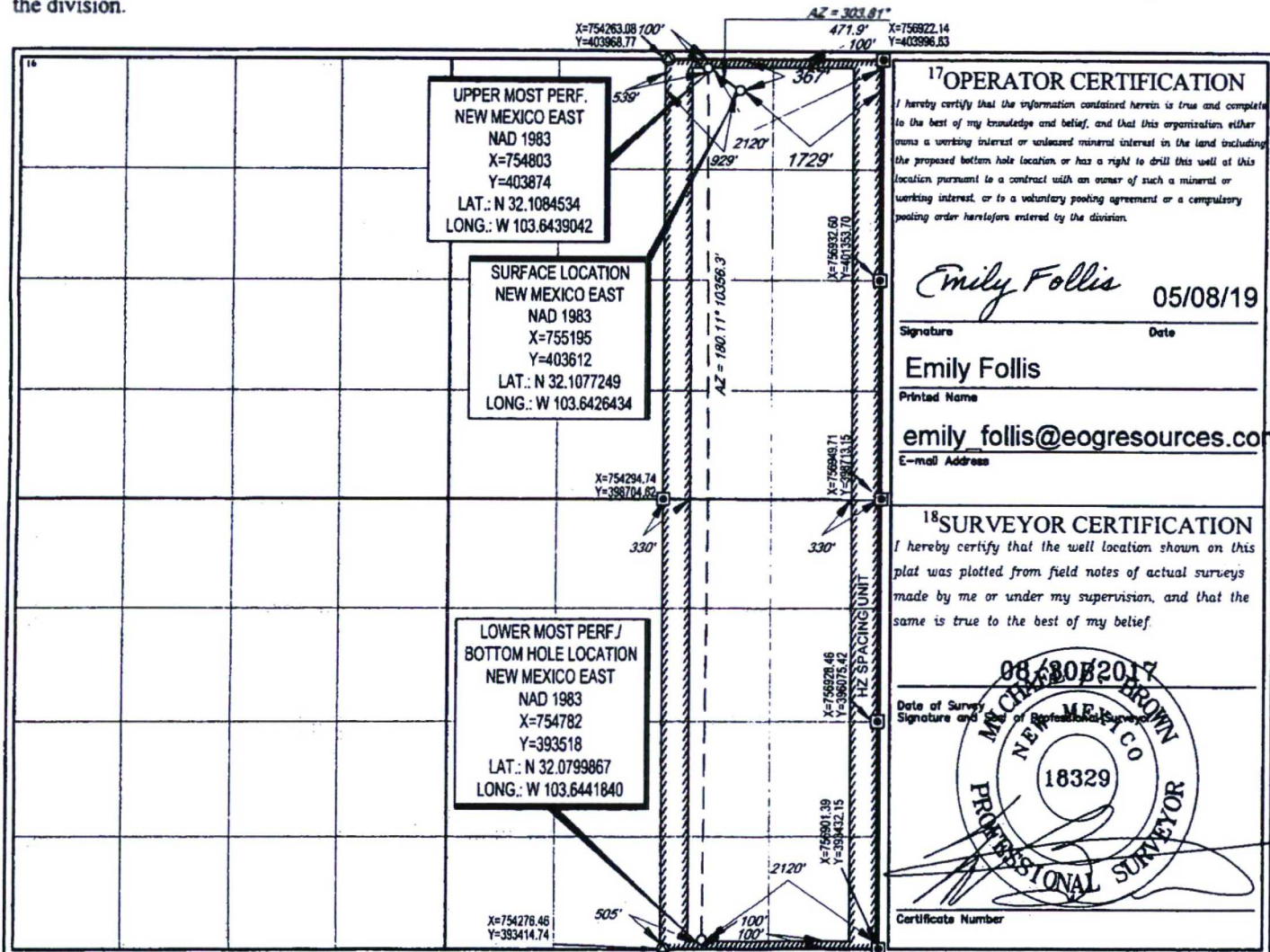
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	26	25-S	32-E	-	367'	NORTH	1729'	EAST	LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	25-S	32-E	-	100'	SOUTH	2120'	EAST	LEA

Dedicated Acres 640.00	Joint or Infill	Consolidation Code	Order No.
----------------------------------	-----------------	--------------------	-----------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Emily Follis 05/08/19
Signature Date

Emily Follis
Printed Name

emily_follis@eogresources.com
E-mail Address

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

08/30/2017
Date of Survey
Signature and Seal of Professional Surveyor
MICHAEL BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR
Certificate Number

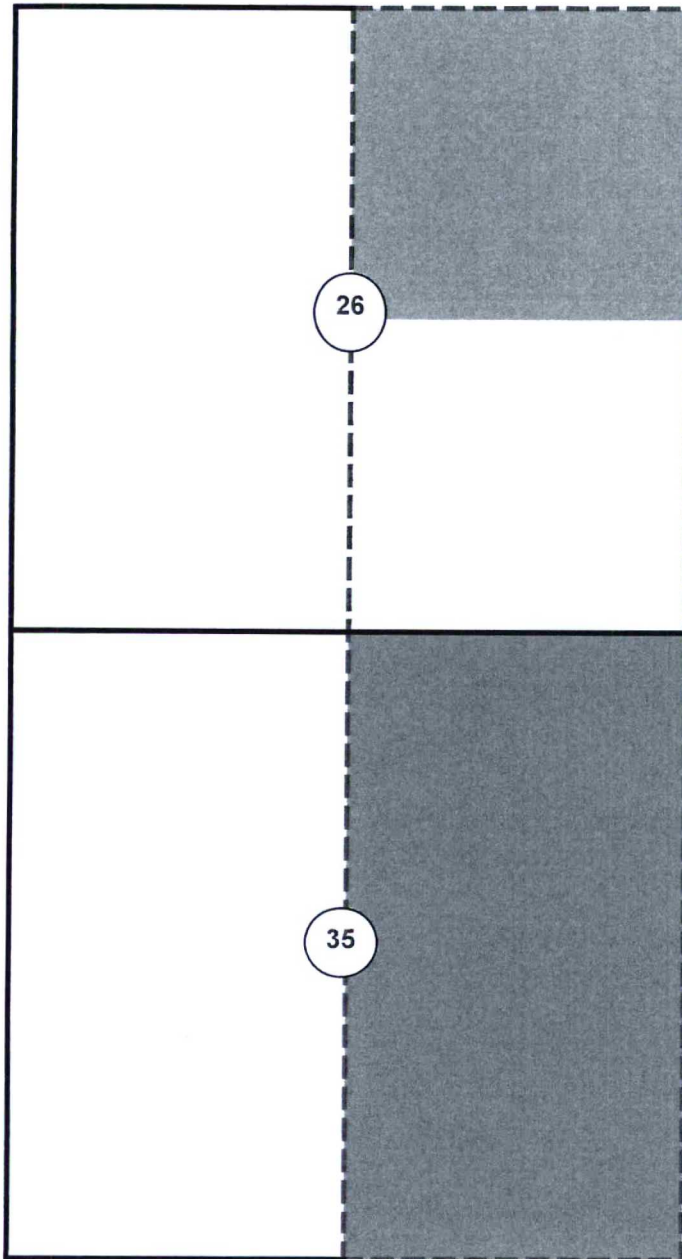
8:\SURVEY\EOG_MIDLAND\FEARLESS_26_AREAFINAL_PRODUCTS\LO_FEARLESS_26_FED_COM_504H_C102_REV3.DWG 4/21/2018 11:36 AM

EXHIBIT

2

Exhibit 3 - EOG Land Affidavit

T25S-R32E, Lea County, NM



NM-110836

EOG - 61.364641%

ORRI - No

Sharbro - 9.000000%

Oxy Y-1 - 29.635359%

NM-108970

EOG - 91%

ORRI - No

Sharbro - 9%

NM-108973

EOG -100%

ORRI - Yes



Horizontal Spacing Unit.

Working Interest

EOG - EOG Resources, Inc.

Sharbor - Sharbro Energy, LLC

Oxy Y-1 - Oxy Y-1 Comppany

ORRI

CrownRock minerals, L. P.

John Kyle Thoma, Trustee of the Cornerstone Family Trust



5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

May 28, 2019

Federal Express

Oxy Y-1 Company
Attn: John Schneider, Permian Land Manager - New Mexico
5 Greenway Plaza, Suite 110
Houston, Texas 77046-0521

RE: Fearless 26 Fed Com 503H and 504H
Township 25 South, Range 32 East, NMPM,
E/2 Secs. 26 and 35
Lea County, New Mexico

Dear Mr. Schnieder:

By letter dated May 23, 2018, EOG Resources, Inc. ("EOG"), as Operator, proposed the drilling of the following horizontal wells located in the E/2 of Sections 26 and 35 of Township 25 South, Range 32 East, Lea County, New Mexico:

- Fearless 26 Federal Com #503H to be drilled and completed in the Bone Springs formation, with a SHL at 378' FNL & 1,696' FEL of Sec. 26 and a BHL 100' FSL & 1,277' FEL of Sec. 35.
- Fearless 26 Federal Com #504H to be drilled and completed in the Bone Springs formation, with a SHL at 367' FNL & 1,729' FEL of Sec. 26 and a BHL 100' FSL & 2,120' FEL of Sec. 35.

Unfortunately in the rush to make the mailing, I failed to include the AFEs for these wells. I enclose with this letter the following AFE's for the proposed wells:


AFE Name	AFE No.
Fearless 26 Fed Com #503H – D&C	AFE 108730
Fearless 26 Fed Com #503H – AL	AFE 112987
Fearless 26 Fed Com #504H – D&C	AFE 108192
Fearless 26 Fed Com #504H – AL	AFE 112988
Fearless 26 CTB Expansion #1	AFE 113006

An election to participate in the well is an election to participate in the artificial lift associated with the well and the central tank battery expansion. The artificial lift and central tank battery AFE's have separate AFE numbers for administrative purposes.

Please feel free to call or email with any questions or if you would like to discuss the enclosed proposals.

Regards,

EOG RESOURCES, INC.


Chuck Moran
Land Advisor
(432) 686-3684

Enclosures



Well Elections

I/We hereby elect to participate in the **Fearless 26 Fed Com. #503H.**

I/We hereby elect NOT to participate in the **Fearless 26 Fed Com. #503H.**

I/We hereby elect to participate in the **Fearless 26 Fed Com. #50H.**

I/We hereby elect NOT to participate in the **Fearless 26 Fed Com. #504H.**

Company: **Oxy Y-1 Company**

By: _____

Title: _____

Date: _____



MIDLAND		Printed: 05/28/2019	
AFE No.	108730	Original	
Property No.	074325-000		
EOG W.I.(BCP)	88.09116%	(ACP)	88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917	
	(Land)	\$31,713	
	(Completion)	\$2,657,114	
	(Facility)	\$259,428	
	(Flowback)	\$252,822	
	Total Cost	\$6,019,994	

AFE Type : DEVELOPMENT DRILLING	AFE Name : FEARLESS 26 FEDERAL COM #503H D&C	AFE Date : 08/01/2017	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD : 10850 / 17650	Begin Date :
Location : Section 26-T25S-R32E, 378 FNL & 1696 FEL, Lat 32.1076937 Long -103.6425365, X=755228 Y=403601	BHLocation : BH(LATERAL #1): Section 35-T25S-R32E, 100 FSL & 1277 FEL, Lat 32.0799872 Long -103.6414619, X=755625 Y=393524		
Formation : 2ND BONE SPRING B SAND	DD&A Field : LEONARD SHALE		
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FED COM #503H D&C 10,850' TVD TO 17,650' MD IS A 2.0 MILE LATERAL TO BE COMPLETED IN THE SECOND BONE SPRING SAND FROMATION. THE WELL IS LOCATED IN SECTION26, T25S, R32E IN LEA CO., NM.		Product : OIL	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION,ROADS&SURVEY	401	95,000	0	7,500	0	0	102,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
RIG MOVE	402	200,000	0	0	0	0	200,000
DAY WORK COST	404	550,000	0	0	0	0	550,000
BITS & BHA	405	100,000	0	0	0	0	100,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP-FUEL	406	0	0	198,000	0	6,000	204,000
FUEL	406	140,000	0	0	0	0	140,000
WATER 188,889 @ \$ 3	407	15,000	0	591,223	0	0	606,223
COMP-FLBK-CHEMICALS	408	0	0	0	0	4,000	4,000
MUD & CHEMICALS	408	300,000	0	0	0	0	300,000
CEMENTING & SERVICE	409	260,000	0	0	0	0	260,000
COMP- PERFORATING	413	0	0	184,000	0	0	184,000
COMP- STIMULATION 17 @ \$ 88,300	414	0	0	1,501,100	0	0	1,501,100
COMP-FAC-TRANSPORTATION	415	0	0	24,000	0	2,000	26,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	90,500	0	0	90,500
FLBK-EQUIPMENT RENT/OPERATIONS	417	160,000	0	0	3,000	55,000	218,000
OTHER DRILLING EXPENSE	419	10,000	0	0	0	0	10,000
COMP-FISHING & EQUIP LOST	420	0	0	6,500	0	0	6,500
COMP-FLBK-ENVIRONMENTAL & SAFETY	421	0	0	20,000	0	2,000	22,000
ENVIRONMENTAL & SAFETY	421	10,000	0	0	0	0	10,000
DIRECTIONAL DRILLING	422	300,000	0	0	0	0	300,000
COMP-FLBK-SUPERVISION/OPERATIONS	424	0	0	74,000	0	4,000	78,000
SUPERVISION	424	120,000	0	0	0	0	120,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
COMP-TUBULAR INSPEC/HANDLING	436	0	0	1,000	0	0	1,000
TUBULAR INSPECTION/HANDLING	436	10,000	0	0	0	0	10,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	120,000	0	15,000	0	0	135,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	127,000	0	0	127,000
COMP-FLBK-CONTRACT LABOR	446	0	0	17,500	0	10,000	27,500
FLBK-DISPOSAL COSTS	447	160,000	0	22,500	0	99,000	281,500
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-FLBK-SOLID WASTE DISPOSAL	479	0	0	0	0	5,000	5,000
COMP-LAND DRILLSITE TITLE OPINION	480	0	2,500	0	0	0	2,500
COMP-LAND ROW DRILLING	482	0	1,250	0	0	0	1,250
COMP-LAND ROW COMPLETION	483	0	1,250	0	0	0	1,250
COMP-LAND SURVEY & DAMAGES DRILL	484	0	7,500	0	0	0	7,500
COMP-LAND SURVEY AND DAMAGES COMP	485	0	7,500	0	0	0	7,500
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,585,000	\$36,000	\$2,936,323	\$3,000	\$272,000	\$5,832,323

	UOM	QTY	SIZE	SIZE	GRADE	RATE					
SURFACE CASING						102	50,000	0	0	0	50,000
INTERMEDIATE CASING						103	160,000	0	0	0	160,000
PRODUCTION CASING						104	360,000	0	0	0	360,000
WELLHEAD EQUIPMENT						107	45,000	0	80,000	0	125,000
COMP-FAC-FLOW LINES						109	0	0	0	39,000	39,000
COMP-FAC-VALVES & FITTINGS						110	0	0	0	31,000	31,000
COMP-FLBK-VALVES & FITTINGS						110	0	0	0	15,000	15,000
COMP-FAC-HEATERS,TREATRS,SEPRS						115	0	0	0	133,000	133,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	50,000	50,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	1,000	1,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP						128	0	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY						421	0	0	0	2,500	2,500
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	3,000	3,000
TOTAL TANGIBLES							\$615,000	\$0	\$80,000	\$291,500	\$1,001,500



MIDLAND

Printed: 05/28/2019

AFE No.	108730	Original
Property No.	074325-000	
EOG W.I.(BCP)	88.09116% (ACP)	88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$6,019,994

TOTAL COST	\$3,200,000	\$36,000	\$3,016,323	\$294,500	\$287,000	\$6,833,823
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By	Date	By	Date
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JOINT OPERATOR APPROVAL

Firm :	By	Title	Date
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MIDLAND

Printed: 05/28/2019

AFE No.	112987	Original
Property No.	074325-000	
EOG W.I.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Drig)	\$0
	(Land)	\$0
	(Completion)	\$0
	(Facility)	\$77,080
	(Flowback)	\$0
	Total Cost	\$77,080

AFE Type : ART LIFT - PU, GAS LIFT, ESP	AFE Name : FEARLESS 26 FEDERAL COM #503H AL	AFE Date : 04/23/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD :	Begin Date :
Location :		BHLocation :	
Formation : 2ND BONE SPRING B SAND		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FEDERAL COM #503H AL - FIRST INSTALL ARTIFICIAL LIFT		Product : OIL	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR	417	0	0	0	500	0	500
COMP-FAC-SUPERVISION FAC INSTL	424	0	0	0	2,000	0	2,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$2,500	\$0	\$2,500

DESCRIPTION	UOM	QTY	SIZE	SIZE	GRADE	RATE						
COMP-FAC-TUBING						106	0	0	0	55,000	0	55,000
COMP-FAC-WELLHEAD EQUIPMENT						107	0	0	0	2,000	0	2,000
COMP-FAC-PUMP EQUIP/SUBSURFAC						113	0	0	0	8,000	0	8,000
COMP-FAC-WATER						407	0	0	0	2,000	0	2,000
COMP-FAC-TRANSPORTATION						415	0	0	0	5,000	0	5,000
COMP-FAC-RIG						418	0	0	0	11,000	0	11,000
COMP-FAC-CONTRACT LABOR						446	0	0	0	2,000	0	2,000
TOTAL TANGIBLES							\$0	\$0	\$0	\$85,000	\$0	\$85,000
TOTAL COST							\$0	\$0	\$0	\$87,500	\$0	\$87,500

By	Date	By	Date
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JOINT OPERATOR APPROVAL

Firm :	By	Title	Date
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MIDLAND

Printed: 05/28/2019

AFE No.	113006	Original
Property No.	073956-000	
EOG W.I.(BCP)	100%	(ACP) 100%
EOG AFE Amt:	(Drig)	\$0
	(Land)	\$0
	(Completion)	\$0
	(Facility)	\$323,000
	(Flowback)	\$0
	Total Cost	\$323,000

AFE Type : PRODUCTION FAC ON LEASE	AFE Name : FEARLESS 26 CTB EXPANSION #1	AFE Date : 04/25/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name :	TVD / MD :	Begin Date :
Location :		BHLocation :	
Formation :		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 CTB EXPANSION #1 to accommodate the new Fearless 26 503H, 504H well(s) Product : Days : 0 / 0			

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR	417	0	0	0	10,000	0	10,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$10,000	\$0	\$10,000
COMP-FAC-VALVES & FITTINGS	110	0	0	0	50,000	0	50,000
COMP-FAC-PUMP EQUIP/SURFACE	112	0	0	0	14,000	0	14,000
COMP-FAC-HEATERS,TREATRS,SEPIES	115	0	0	0	134,000	0	134,000
COMP-FAC-OTHER EQUIPMENT	116	0	0	0	10,000	0	10,000
COMP-FAC-CONSTRUCTION COST	122	0	0	0	65,000	0	65,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA	124	0	0	0	5,000	0	5,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP	128	0	0	0	5,000	0	5,000
COMP-FAC-TRANSPORTATION	415	0	0	0	5,000	0	5,000
COMP-FAC-FACILITY OVERHEAD	416	0	0	0	15,000	0	15,000
COMP-FAC-ELECTRICAL LABOR	471	0	0	0	10,000	0	10,000
TOTAL TANGIBLES		\$0	\$0	\$0	\$313,000	\$0	\$313,000
TOTAL COST		\$0	\$0	\$0	\$323,000	\$0	\$323,000

By	Date	By	Date
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JOINT OPERATOR APPROVAL

Firm :	By	Title	Date
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MIDLAND	Printed: 05/28/2019	
AFE No.	108192	Original
Property No.	073991-000	
EOG W.L.(BCP)	88.09116% (ACP)	88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$6,019,994

AFE Type : DEVELOPMENT DRILLING	AFE Name : FEARLESS 26 FEDERAL COM #504H D&C	AFE Date : 04/03/2017	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD : 10850 / 18340	Begin Date :
Location : Section 26-T25S-R32E, 367 FNL & 1729 FEL, Lat 32.1077249 Long -103.6426434, X=755195 Y=403612		BHLocation : BH(LATERAL #1): Section 35-T25S-R32E, 100 FSL & 2120 FEL, Lat 32.0799867 Long -103.644184, X=754782 Y=393518	
Formation :		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FED COM #504H D&C 10,850' TVD TO 18,340' MD IS A 1.0 MILE LATERAL TO BE COMPLETED IN SECOND BONE SPRING SAND FORMATION. THE WELL IS LOCATED IN SEC 26, T25S, R32E IN LEA CO., NM		Product : OIL	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION,ROADS&SURVEY	401	95,000	0	7,500	0	0	102,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
RIG MOVE	402	200,000	0	0	0	0	200,000
DAY WORK COST	404	550,000	0	0	0	0	550,000
BITS & BHA	405	100,000	0	0	0	0	100,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP-FUEL	406	0	0	198,000	0	6,000	204,000
FUEL	406	140,000	0	0	0	0	140,000
WATER 188,889 @ \$ 3	407	15,000	0	591,223	0	0	606,223
COMP-FLBK-CHEMICALS	408	0	0	0	0	4,000	4,000
MUD & CHEMICALS	408	300,000	0	0	0	0	300,000
CEMENTING & SERVICE	409	260,000	0	0	0	0	260,000
COMP- PERFORATING	413	0	0	184,000	0	0	184,000
COMP- STIMULATION 17 @ \$ 88,300	414	0	0	1,501,100	0	0	1,501,100
COMP-FAC-TRANSPORTATION	415	0	0	24,000	0	2,000	26,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	90,500	0	0	90,500
FLBK-EQUIPMENT RENT/OPERATIONS	417	160,000	0	0	3,000	55,000	218,000
OTHER DRILLING EXPENSE	419	10,000	0	0	0	0	10,000
COMP-FISHING & EQUIP LOST	420	0	0	6,500	0	0	6,500
COMP-FLBK-ENVIRONMENTAL & SAFETY	421	0	0	20,000	0	2,000	22,000
ENVIRONMENTAL & SAFETY	421	10,000	0	0	0	0	10,000
DIRECTIONAL DRILLING	422	300,000	0	0	0	0	300,000
COMP-FLBK-SUPERVISION/OPERATIONS	424	0	0	74,000	0	4,000	78,000
SUPERVISION	424	120,000	0	0	0	0	120,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
COMP-TUBULAR INSPEC/HANDLING	436	0	0	1,000	0	0	1,000
TUBULAR INSPECTION/HANDLING	436	10,000	0	0	0	0	10,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	120,000	0	15,000	0	0	135,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	127,000	0	0	127,000
COMP-FLBK-CONTRACT LABOR	446	0	0	17,500	0	10,000	27,500
FLBK-DISPOSAL COSTS	447	160,000	0	22,500	0	99,000	281,500
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-FLBK-SOLID WASTE DISPOSAL	479	0	0	0	0	5,000	5,000
COMP-LAND DRILLSITE TITLE OPINION	480	0	2,500	0	0	0	2,500
COMP-LAND ROW DRILLING	482	0	1,250	0	0	0	1,250
COMP-LAND ROW COMPLETION	483	0	1,250	0	0	0	1,250
COMP-LAND SURVEY & DAMAGES DRILL	484	0	7,500	0	0	0	7,500
COMP-LAND SURVEY AND DAMAGES COMP	485	0	7,500	0	0	0	7,500
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,585,000	\$36,000	\$2,936,323	\$3,000	\$272,000	\$5,832,323

	UOM	QTY	SIZE	SIZE	GRADE	RATE					
SURFACE CASING						102	50,000	0	0	0	50,000
INTERMEDIATE CASING						103	160,000	0	0	0	160,000
PRODUCTION CASING						104	360,000	0	0	0	360,000
WELLHEAD EQUIPMENT						107	45,000	0	80,000	0	125,000
COMP-FAC-FLOW LINES						109	0	0	0	39,000	39,000
COMP-FAC-VALVES & FITTINGS						110	0	0	0	31,000	31,000
COMP-FLBK-VALVES & FITTINGS						110	0	0	0	15,000	15,000
COMP-FAC-HEATERS,TREATRS,SEPRS						115	0	0	0	133,000	133,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	50,000	50,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	1,000	1,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP						128	0	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY						421	0	0	0	2,500	2,500
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	3,000	3,000
TOTAL TANGIBLES							\$615,000	\$0	\$80,000	\$291,500	\$1,001,500



MIDLAND

Printed: 05/28/2019

AFE No.	108192	Original
Property No.	073991-000	
EOG W.I.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$6,019,994

TOTAL COST	\$3,200,000	\$36,000	\$3,016,323	\$294,500	\$287,000	\$6,833,823
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By	Date	By	Date
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JOINT OPERATOR APPROVAL

Firm :	By	Title	Date
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MIDLAND

Printed: 05/28/2019

AFE No.	112988	Original
Property No.	073991-000	
EOG W.I.(BCP)	100%	(ACP) 100%
EOG AFE Amt:	(Drig)	\$0
	(Land)	\$0
	(Completion)	\$0
	(Facility)	\$87,500
	(Flowback)	\$0
Total Cost		\$87,500

AFE Type : ART LIFT - PU, GAS LIFT, ESP	AFE Name : FEARLESS 26 FEDERAL COM #504H AL	AFE Date : 04/23/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD :	Begin Date :
Location :		BHLocation :	
Formation :		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FEDERAL COM #504H AL - FIRST INSTALL ARTIFICIAL LIFT		Product : OIL	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR	417	0	0	0	500	0	500
COMP-FAC-SUPERVISION FAC INSTL	424	0	0	0	2,000	0	2,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$2,500	\$0	\$2,500

	UOM	QTY	SIZE	SIZE	GRADE	RATE				
COMP-FAC-TUBING						106	0	0	0	55,000
COMP-FAC-WELLHEAD EQUIPMENT						107	0	0	0	2,000
COMP-FAC-PUMP EQUIP/SUBSURFAC						113	0	0	0	8,000
COMP-FAC-WATER						407	0	0	0	2,000
COMP-FAC-TRANSPORTATION						415	0	0	0	5,000
COMP-FAC-RIG						418	0	0	0	11,000
COMP-FAC-CONTRACT LABOR						446	0	0	0	2,000
TOTAL TANGIBLES							\$0	\$0	\$0	\$85,000
TOTAL COST							\$0	\$0	\$0	\$87,500

By	Date	By	Date
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JOINT OPERATOR APPROVAL

Firm :	By	Title	Date
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MIDLAND

Printed: 05/28/2019

AFE No.	113006	Original
Property No.	073956-000	
EOG W.I.(BCP)	100%	(ACP) 100%
EOG AFE Amt:	(Drig)	\$0
	(Land)	\$0
	(Completion)	\$0
	(Facility)	\$323,000
	(Flowback)	\$0
Total Cost		\$323,000

AFE Type : PRODUCTION FAC ON LEASE	AFE Name : FEARLESS 26 CTB EXPANSION #1	AFE Date : 04/25/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name :	TVD / MD :	Begin Date :
Location :		BHLocation :	
Formation :		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 CTB EXPANSION #1 to accommodate the new Fearless 26 503H, 504H well(s)		Product :	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR	417	0	0	0	10,000	0	10,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$10,000	\$0	\$10,000

DESCRIPTION	UOM	QTY	SIZE	SIZE	GRADE	RATE						
COMP-FAC-VALVES & FITTINGS						110	0	0	0	50,000	0	50,000
COMP-FAC-PUMP EQUIP/SURFACE						112	0	0	0	14,000	0	14,000
COMP-FAC-HEATERS,TREATRS,SEPRS						115	0	0	0	134,000	0	134,000
COMP-FAC-OTHER EQUIPMENT						116	0	0	0	10,000	0	10,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	65,000	0	65,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	5,000	0	5,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP						128	0	0	0	5,000	0	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	5,000	0	5,000
COMP-FAC-FACILITY OVERHEAD						416	0	0	0	15,000	0	15,000
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	10,000	0	10,000
TOTAL TANGIBLES							\$0	\$0	\$0	\$313,000	\$0	\$313,000
TOTAL COST							\$0	\$0	\$0	\$323,000	\$0	\$323,000

By	Date	By	Date
JOINT OPERATOR APPROVAL			

Firm :	By	Title	Date
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Ship Request Form

Ship Request #: 024179

Sender		Recipient	
Name:	Cary Van Degna	Attn To:	John Schneider, Permian Land Manager
Account #:		Company:	Oxy Y1 Company
Phone:	432-686-3661	Address:	5 Greenway Plaza, Suite 110
Email:	Cary_VanDegna@eogresources.com	City:	Houston
Mail Stop:		State:	TX
Building		Zip:	77046
Floor:		Country:	US
Department:			

Shipping Instructions

Items					
Units	Description	Code	Origin	Unit Value	Total Value

May 28, 2019

Federal Express

Oxy Y-1 Company
Attn: John Schneider, Permian Land Manager - New Mexico
5 Greenway Plaza, Suite 110
Houston, Texas 77046-0521

RE: Fearless 26 Fed Com 503H and 504H
Township 25 South, Range 32 East, NMPM,
E/2 Secs. 26 and 35
Lea County, New Mexico

Dear Mr. Schnieder:

By letter dated May 23, 2018, EOG Resources, Inc. ("EOG"), as Operator, proposed the drilling of the following horizontal wells located in the E/2 of Sections 26 and 35 of Township 25 South, Range 32 East, Lea County, New Mexico:

- Fearless 26 Federal Com #503H to be drilled and completed in the Bone Springs formation, with a SHL at 378' FNL & 1,696' FEL of Sec. 26 and a BHL 100' FSL & 1,277' FEL of Sec. 35.
- Fearless 26 Federal Com #504H to be drilled and completed in the Bone Springs formation, with a SHL at 367' FNL & 1,729' FEL of Sec. 26 and a BHL 100' FSL & 2,120' FEL of Sec. 35.

Unfortunately in the rush to make the mailing, I failed to include the AFEs for these wells. I enclose with this letter the following AFE's for the proposed wells:


AFE Name	AFE No.
Fearless 26 Fed Com #503H - D&C	AFE 108730
Fearless 26 Fed Com #503H - AL	AFE 112987
Fearless 26 Fed Com #504H - D&C	AFE 108192
Fearless 26 Fed Com #504H - AL	AFE 112988
Fearless 26 CTB Expansion #1	AFE 113006

An election to participate in the well is an election to participate in the artificial lift associated with the well and the central tank battery expansion. The artificial lift and central tank battery AFE's have separate AFE numbers for administrative purposes.

Please feel free to call or email with any questions or if you would like to discuss the enclosed proposals.

Regards,

EOG RESOURCES, INC.


Chuck Moran
Land Advisor
(432) 686-3684

Enclosures

EXHIBIT


5

Well Elections

☒ I/We hereby elect to participate in the Fearless 26 Fed Com. #503H.
☐ I/We hereby elect NOT to participate in the Fearless 26 Fed Com. #503H.

☒ I/We hereby elect to participate in the Fearless 26 Fed Com. #50H.
☐ I/We hereby elect NOT to participate in the Fearless 26 Fed Com. #504H.

Company: Oxy Y-1 Company

By: Kristine Kuse 

Title: Inventory Growth Manager

Date: 10/17/19



MIDLAND

Printed: 05/28/2019

AFE No.	108730	Original
Property No.	074325-000	
EOG W.I.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$6,019,994

AFE Type : DEVELOPMENT DRILLING	AFE Name : FEARLESS 26 FEDERAL COM #503H D&C	AFE Date : 08/01/2017	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD : 10850 / 17650	Begin Date :
Location : Section 26-T25S-R32E, 378 FNL & 1696 FEL, Lat 32.1078937 Long -103.6425365, X=755228 Y=403601	BHLocation : BH(LATERAL #1): Section 35-T25S-R32E, 100 FSL & 1277 FEL, Lat 32.0799872 Long -103.6414619, X=755625 Y=393524	DD&A Field : LEONARD SHALE	
Formation : 2ND BONE SPRING B SAND	Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED
AFE Description : FEARLESS 26 FED COM #503H D&C 10,850' TVD TO 17,650' MD IS A 2.0 MILE LATERAL TO BE COMPLETED IN THE SECOND BONE SPRING SAND FROMATION. THE WELL IS LOCATED IN SECTION26, T25S, R32E IN LEA CO., NM.		Water Depth :	Product : OIL
		Days : 0 / 0	

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION,ROADS&SURVEY	401	95,000	0	7,500	0	0	102,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
RIG MOVE	402	200,000	0	0	0	0	200,000
DAY WORK COST	404	550,000	0	0	0	0	550,000
BITS & BHA	405	100,000	0	0	0	0	100,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP-FUEL	406	0	0	198,000	0	6,000	204,000
FUEL	406	140,000	0	0	0	0	140,000
WATER 188,889 @ \$3	407	15,000	0	591,223	0	0	806,223
COMP-FLBK-CHEMICALS	408	0	0	0	0	4,000	4,000
MUD & CHEMICALS	408	300,000	0	0	0	0	300,000
CEMENTING & SERVICE	409	280,000	0	0	0	0	280,000
COMP- PERFORATING	413	0	0	184,000	0	0	184,000
COMP- STIMULATION 17 @ \$88,300	414	0	0	1,501,100	0	0	1,501,100
COMP-FAC-TRANSPORTATION	415	0	0	24,000	0	2,000	26,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	418	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	90,500	0	0	90,500
FLBK-EQUIPMENT RENT/OPERATIONS	417	160,000	0	0	3,000	55,000	218,000
OTHER DRILLING EXPENSE	419	10,000	0	0	0	0	10,000
COMP-FISHING & EQUIP LOST	420	0	0	6,500	0	0	6,500
COMP-FLBK-ENVIRONMENTAL & SAFETY	421	0	0	20,000	0	2,000	22,000
ENVIRONMENTAL & SAFETY	421	10,000	0	0	0	0	10,000
DIRECTIONAL DRILLING	422	300,000	0	0	0	0	300,000
COMP-FLBK-SUPERVISION/OPERATIONS	424	0	0	74,000	0	4,000	78,000
SUPERVISION	424	120,000	0	0	0	0	120,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
COMP-TUBULAR INSP&HANDLING	436	0	0	1,000	0	0	1,000
TUBULAR INSPECTION/HANDLING	436	10,000	0	0	0	0	10,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	120,000	0	15,000	0	0	135,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	127,000	0	0	127,000
COMP-FLBK-CONTRACT LABOR	446	0	0	17,500	0	10,000	27,500
FLBK-DISPOSAL COSTS	447	180,000	0	22,500	0	99,000	281,500
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
COMP-FLOWBACK	455	0	0	5,000	0	75,000	80,000
COMP-FLBK-SOLID WASTE DISPOSAL	479	0	0	0	0	5,000	5,000
COMP-LAND DRILLSITE TITLE OPINION	480	0	2,500	0	0	0	2,500
COMP-LAND ROW DRILLING	482	0	1,250	0	0	0	1,250
COMP-LAND ROW COMPLETION	483	0	1,250	0	0	0	1,250
COMP-LAND SURVEY & DAMAGES DRILL	484	0	7,500	0	0	0	7,500
COMP-LAND SURVEY AND DAMAGES COMP	485	0	7,500	0	0	0	7,500
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	488	0	18,000	0	0	0	18,000
TOTAL INTANGIBLES		\$2,585,000	\$36,000	\$2,938,323	\$3,000	\$272,000	\$5,832,323

UOM	QTY	SIZE	SIZE	GRADE	RATE				
SURFACE CASING					102	50,000	0	0	50,000
INTERMEDIATE CASING					103	180,000	0	0	180,000
PRODUCTION CASING					104	380,000	0	0	380,000
WELLHEAD EQUIPMENT					107	45,000	0	80,000	125,000
COMP-FAC-FLOW LINES					109	0	0	39,000	39,000
COMP-FAC-VALVES & FITTINGS					110	0	0	31,000	31,000
COMP-FLBK-VALVES & FITTINGS					110	0	0	15,000	15,000
COMP-FAC-HEATERS,TREATRS,SEPRS					115	0	0	133,000	133,000
COMP-FAC-METERING EQUIPMENT					118	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST					122	0	0	50,000	50,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA					124	0	0	1,000	1,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP					128	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION					415	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY					421	0	0	2,500	2,500
COMP-FAC-ELECTRICAL LABOR					471	0	0	3,000	3,000
TOTAL TANGIBLES						\$615,000	\$0	\$80,000	\$1,001,500



MIDLAND

Printed: 05/28/2019

AFE No.	108730	Original
Property No.	074325-000	
EOG W.L.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$6,019,994

TOTAL COST	\$3,200,000	\$36,000	\$3,016,323	\$294,500	\$287,000	\$6,833,823
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By 	Date 10/17/19	By	Date
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JOINT OPERATOR APPROVAL

Firm :	By	Title	Date
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MIDLAND		Printed: 8/28/2019
AFE No.	112987	Original
Property No.	074325-000	
EOG W.I.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Drig)	\$0
	(Land)	\$0
	(Completion)	\$0
	(Facility)	\$77,080
	(Flowback)	\$0
	Total Cost	\$77,080

AFE Type : ART LIFT - PU, GAS LIFT, ESP	AFE Name : FEARLESS 26 FEDERAL COM #503H AL	AFE Date : 04/23/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD :	Begin Date :
Location :		BHLocation :	
Formation : 2ND BONE SPRING B SAND		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FEDERAL COM #503H AL - FIRST INSTALL ARTIFICIAL LIFT		Product : OIL	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTU/FAC CONSTR	417	0	0	0	500	0	500
COMP-FAC-SUPERVISION FAC INSTL	424	0	0	0	2,000	0	2,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$2,500	\$0	\$2,500
DESCRIPTION	UOM	QTY	SIZE	SIZE	GRADE	RATE	
COMP-FAC-TUBING						106	0
COMP-FAC-WELLHEAD EQUIPMENT						107	0
COMP-FAC-PUMP EQUIP/SUBSURFAC						113	0
COMP-FAC-WATER						407	0
COMP-FAC-TRANSPORTATION						415	0
COMP-FAC-RIG						418	0
COMP-FAC-CONTRACT LABOR						446	0
TOTAL TANGIBLES						\$0	\$0
TOTAL COST						\$0	\$0

By	Date 10/17/19	By	Date
JOINT OPERATOR APPROVAL			
Firm :	By	Title	Date

May 28, 2019

Federal Express

Oxy Y-I Company
Attn: John Schneider, Permian Land Manager - New Mexico
5 Greenway Plaza, Suite 110
Houston, Texas 77046-0521

RE: Fearless 26 Fed Com 503H and 504H
Township 25 South, Range 32 East, NMPM,
E/2 Secs. 26 and 35
Lea County, New Mexico

Dear Mr. Schnieder:

By letter dated May 23, 2018, EOG Resources, Inc. ("EOG"), as Operator, proposed the drilling of the following horizontal wells located in the E/2 of Sections 26 and 35 of Township 25 South, Range 32 East, Lea County, New Mexico:

- Fearless 26 Federal Com #503H to be drilled and completed in the Bone Springs formation, with a SHL at 378' FNL & 1,696' FEL of Sec. 26 and a BHL 100' FSL & 1,277' FEL of Sec. 35.
- Fearless 26 Federal Com #504H to be drilled and completed in the Bone Springs formation, with a SHL at 367' FNL & 1,729' FEL of Sec. 26 and a BHL 100' FSL & 2,120' FEL of Sec. 35.

Unfortunately in the rush to make the mailing, I failed to include the AFEs for these wells. I enclose with this letter the following AFE's for the proposed wells:

AFE Name	AFE No.
Fearless 26 Fed Com #503H - D&C	AFE 108730
Fearless 26 Fed Com #503H - AL	AFE 112987
Fearless 26 Fed Com #504H - D&C	AFE 108192
Fearless 26 Fed Com #504H - AL	AFE 112988
Fearless 26 CTB Expansion #1	AFE 113006

An election to participate in the well is an election to participate in the artificial lift associated with the well and the central tank battery expansion. The artificial lift and central tank battery AFE's have separate AFE numbers for administrative purposes.

Please feel free to call or email with any questions or if you would like to discuss the enclosed proposals.

Regards,

EOG RESOURCES, INC.


Chuck Moran
Land Advisor
(432) 686-3684

Enclosures

Well Elections

☒ I/We hereby elect to participate in the **Fearless 26 Fed Com. #503H.**
☐ I/We hereby elect NOT to participate in the **Fearless 26 Fed Com. #503H.**

☒ I/We hereby elect to participate in the **Fearless 26 Fed Com. #50H.**
☐ I/We hereby elect NOT to participate in the **Fearless 26 Fed Com. #504H.**

Company: Oxy Y-1 Company

By: [Signature]

Title: Inventory Growth Manager

Date: 10/17/19



MIDLAND

Printed: 05/28/2019

AFE No.	108192	Original
Property No.	073991-000	
EOG W.L.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Orig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$6,019,994

AFE Type : DEVELOPMENT DRILLING	AFE Name : FEARLESS 26 FEDERAL COM #504H D&C	AFE Date : 04/03/2017	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD : 10850 / 18340	Begin Date :
Location : Section 26-T25S-R32E, 367 FNL & 1729 FEL, Lat 32.1077249 Long -103.6426434, X=755195 Y=403812		BHLocation : BH(LATERAL #1): Section 35-T25S-R32E, 100 FSL & 2120 FEL, Lat 32.0799867 Long -103.644184, X=754782 Y=393518	
Formation :		DD&A Field : LEONARD SHALE	
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FED COM #504H D&C 10,850' TVD TO 18,340' MD IS A 1.0 MILE LATERAL TO BE COMPLETED IN SECOND BONE SPRING SAND FORMATION. THE WELL IS LOCATED IN SEC 26, T25S, R32E IN LEA CO., NM		Product : OIL	Days : 0 / 0

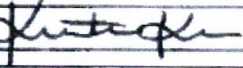
DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION/ROADS&SURVEY	401	95,000	0	7,500	0	0	102,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
RIG MOVE	402	200,000	0	0	0	0	200,000
DAY WORK COST	404	550,000	0	0	0	0	550,000
BITS & BHA	405	180,000	0	0	0	0	180,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP-FUEL	406	0	0	198,000	0	6,000	204,000
FUEL	406	140,000	0	0	0	0	140,000
WATER 188,889 @ \$3	407	15,000	0	591,223	0	0	806,223
COMP-FLBK-CHEMICALS	408	0	0	0	0	4,000	4,000
MUD & CHEMICALS	408	300,000	0	0	0	0	300,000
CEMENTING & SERVICE	409	260,000	0	0	0	0	260,000
COMP-PERFORATING	413	0	0	184,000	0	0	184,000
COMP-STIMULATION 17 @ \$88,300	414	0	0	1,501,100	0	0	1,501,100
COMP-FAC-TRANSPORTATION	415	0	0	24,000	0	2,000	26,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	90,500	0	0	90,500
FLBK-EQUIPMENT RENT/OPERATIONS	417	180,000	0	0	3,000	55,000	218,000
OTHER DRILLING EXPENSE	419	10,000	0	0	0	0	10,000
COMP-FISHING & EQUIP LOST	420	0	0	6,500	0	0	6,500
COMP-FLBK-ENVIRONMENTAL & SAFETY	421	0	0	20,000	0	2,000	22,000
ENVIRONMENTAL & SAFETY	421	10,000	0	0	0	0	10,000
DIRECTIONAL DRILLING	422	300,000	0	0	0	0	300,000
COMP-FLBK-SUPERVISION/OPERATIONS	424	0	0	74,000	0	4,000	78,000
SUPERVISION	424	120,000	0	0	0	0	120,000
COMP-COMMUNICATIONS	431	0	0	3,000	0	0	3,000
COMP-TUBULAR INSP/CHANDLING	436	0	0	1,000	0	0	1,000
TUBULAR INSPECTION/HANDLING	436	10,000	0	0	0	0	10,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	120,000	0	15,000	0	0	135,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	127,000	0	0	127,000
COMP-FLBK-CONTRACT LABOR	448	0	0	17,500	0	10,000	27,500
FLBK-DISPOSAL COSTS	447	180,000	0	22,500	0	89,000	291,500
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-FLBK-SOLID WASTE DISPOSAL	479	0	0	0	0	5,000	5,000
COMP-LAND DRILLSITE TITLE OPINION	480	0	2,500	0	0	0	2,500
COMP-LAND ROW DRILLING	482	0	1,250	0	0	0	1,250
COMP-LAND ROW COMPLETION	483	0	1,250	0	0	0	1,250
COMP-LAND SURVEY & DAMAGES DRILL	484	0	7,500	0	0	0	7,500
COMP-LAND SURVEY AND DAMAGES COMP	485	0	7,500	0	0	0	7,500
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,585,000	\$36,000	\$2,938,323	\$3,000	\$272,000	\$5,832,323

UOM.	QTY	SIZE	GRADE	RATE					
SURFACE CASING				102	50,000	0	0	0	50,000
INTERMEDIATE CASING				103	160,000	0	0	0	160,000
PRODUCTION CASING				104	360,000	0	0	0	360,000
WELLHEAD EQUIPMENT				107	45,000	0	80,000	0	125,000
COMP-FAC-FLOW LINES				109	0	0	0	39,000	39,000
COMP-FAC-VALVES & FITTINGS				110	0	0	0	31,000	31,000
COMP-FLBK-VALVES & FITTINGS				110	0	0	0	15,000	15,000
COMP-FAC-HEATERS,TREATRS,SEPRS				115	0	0	0	133,000	133,000
COMP-FAC-METERING EQUIPMENT				118	0	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST				122	0	0	0	50,000	50,000
COMP-FAC-LAB/ELEC MEAS/AUTOMA				124	0	0	0	1,000	1,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP				128	0	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION				415	0	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY				421	0	0	0	2,500	2,500
COMP-FAC-ELECTRICAL LABOR				471	0	0	0	3,000	3,000
TOTAL TANGIBLES					\$615,000	\$0	\$80,000	\$291,500	\$1,001,500



MIDLAND		Printed: 05/28/2019
AFE No.	108192	Original
Property No.	073991-000	
EOG W.I.(BCP)	88.09116%	(ACP) 88.09116%
EOG AFE Amt:	(Drig)	\$2,818,917
	(Land)	\$31,713
	(Completion)	\$2,657,114
	(Facility)	\$259,428
	(Flowback)	\$252,822
	Total Cost	\$5,019,994

TOTAL COST	\$3,200,000	\$38,000	\$3,016,323	\$294,500	\$287,000	\$5,833,823
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By 	Date 10/17/19	By	Date
JOINT OPERATOR APPROVAL			
Firm:	By	Title	Date



MIDLAND		Printed: 05/28/2019	
AFE No.	112988	Original	
Property No.	073991-000		
EOG W.I.(BCP)	100%	(ACP)	100%
EOG AFE Amt:	(Drig)		\$0
	(Land)		\$0
	(Completion)		\$0
	(Facility)		\$87,500
	(Flowback)		\$0
	Total Cost		\$87,500

AFE Type : ART LIFT - PU, GAS LIFT, ESP	AFE Name : FEARLESS 26 FEDERAL COM #504H AL	AFE Date : 04/23/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name : UNDAUNTED	TVD / MD :	Begin Date :
Location :	BHLocation :		
Formation :	DD&A Field : LEONARD SHALE		
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 FEDERAL COM #504H AL - FIRST INSTALL ARTIFICIAL LIFT		Product : OIL	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR	417	0	0	0	500	0	500
COMP-FAC-SUPERVISION FAC INSTL	424	0	0	0	2,000	0	2,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$2,500	\$0	\$2,500

DESCRIPTION	UOM	QTY	SIZE	SIZE	GRADE	RATE			
COMP-FAC-TUBING						108	0	0	0
COMP-FAC-WELLHEAD EQUIPMENT						107	0	0	0
COMP-FAC-PUMP EQUIP/SUBSURFAC						113	0	0	0
COMP-FAC-WATER						407	0	0	0
COMP-FAC-TRANSPORTATION						415	0	0	0
COMP-FAC-RIG						418	0	0	0
COMP-FAC-CONTRACT LABOR						448	0	0	0
TOTAL TANGIBLES							\$0	\$0	\$0
TOTAL COST							\$0	\$0	\$0
							\$85,000	\$0	\$85,000
							\$87,500	\$0	\$87,500

By:	Date: 10/17/19	By:	Date:
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JOINT OPERATOR APPROVAL

Firm:	By:	Title:	Date:
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MIDLAND		Printed: 05/28/2019	
AFE No.	113006	Original	
Property No.	073956-000		
EOG W.L.(BCP)	100%	(ACP)	100%
EOG AFE Amt:	(Drig)		\$0
	(Land)		\$0
	(Completion)		\$0
	(Facility)		\$323,000
	(Flowback)		\$0
Total Cost			\$323,000

AFE Type : PRODUCTION FAC ON LEASE	AFE Name : FEARLESS 26 CTB EXPANSION #1	AFE Date : 04/25/2019	Budget Year : 2019
Reg. Lease No. :	Prospect Name :	TVD / MD :	Begin Date :
Location :	BHLocation :		
Formation :	DD&A Field : LEONARD SHALE		
Operator : EOG RESOURCES INC	County & State : LEA / NEW MEXICO	Field : UNASSIGNED	Water Depth :
AFE Description : FEARLESS 26 CTB EXPANSION #1 to accommodate the new Fearless 26 503H, 504H well(s)		Product :	Days : 0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 238	TOTAL
COMP-FAC-EQUIP RNTL/FAC CONSTR	417	0	0	0	10,000	0	10,000
TOTAL INTANGIBLES		\$0	\$0	\$0	\$10,000	\$0	\$10,000
COMP-FAC-VALVES & FITTINGS	110	0	0	0	50,000	0	50,000
COMP-FAC-PUMP EQUIP/SURFACE	112	0	0	0	14,000	0	14,000
COMP-FAC-HEATERS,TREATRS,SEPRS	115	0	0	0	134,000	0	134,000
COMP-FAC-OTHER EQUIPMENT	116	0	0	0	10,000	0	10,000
COMP-FAC-CONSTRUCTION COST	122	0	0	0	65,000	0	65,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA	124	0	0	0	5,000	0	5,000
COMP-FAC-INSTRUMENT/ELECTRIC EQUIP	128	0	0	0	5,000	0	5,000
COMP-FAC-TRANSPORTATION	415	0	0	0	5,000	0	5,000
COMP-FAC-FACILITY OVERHEAD	416	0	0	0	15,000	0	15,000
COMP-FAC-ELECTRICAL LABOR	471	0	0	0	10,000	0	10,000
TOTAL TANGIBLES		\$0	\$0	\$0	\$313,000	\$0	\$313,000
TOTAL COST		\$0	\$0	\$0	\$323,000	\$0	\$323,000

By	Date 10/17/19	By	Date
JOINT OPERATOR APPROVAL			
Firm :	By	Title	Date



5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

November 12, 2019

Via Email

CrownRock Minerals, L.P.
Attn: Tim Wimberly
P. O. Box 51933
Midland, TX 79710

Re: Application of EOG Resources, Inc. for force pooling for its Fearless 26 Fed Com #503H and 504H Wells in the E/2 of Section 26 and Section 35, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Dear Mr. Wimberly:

EOG Resources, Inc. has submitted the above-referenced application to the New Mexico Oil Conservation Division for force pooling interest owners in the described horizontal spacing unit for its Fearless 26 Federal Com #503H (API No. 30-025-45505) and Fearless 26 Fed Com #504H Well (API No. 30-025-45506) wells to be completed within the WC-025 G-09 S253235P; LWR Bone Spring (97903) underlying the E/2 of Section 26 and Section 35, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Division rules provide that overriding royalty owners should receive notice twenty days before the date of hearing and notice was not timely provided to overriding royalty owners for the force pooling application.

We therefore request your waiver of objection to this notice requirement for the force pooling application so that the hearing may proceed as scheduled on the Division's November 14th, 2019, docket. We respectfully request you that you sign this letter and return it as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me.

Sincerely,


Charles Moran
Land Advisor

CrownRock Minerals, L.P. agrees to waive objections for notice purposes to EOG Resources, Inc's application for force pooling the above described wells.

CROWNQUEST MINERALS, L.P.

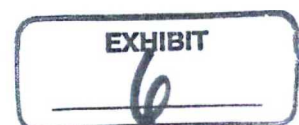
By:  

Printed Name: Lee Powell

Title: EVP

Date: 11/12/19

energy opportunity growth





5509 Champions Dr., Midland, Texas 79706
Phone: (432) 686-3600 Fax: (432) 686-3773

November 12, 2019

Via Email

The Cornerstone Family Trust,
John Kyle Thoma Trustee
P. O. Box 558
Peyton, CO 808310558

Re: Application of EOG Resources, Inc. for force pooling for its Fearless 26 Fed Com #503H and 504H Wells in the E/2 of Section 26 and Section 35, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico.


Dear Mr. Thoma:

EOG Resources, Inc. has submitted the above-referenced application to the New Mexico Oil Conservation Division for force pooling interest owners in the described horizontal spacing unit for its Fearless 26 Federal Com #503H (API No. 30-025-45505) and Fearless 26 Fed Com #504H Well (API No. 30-025-45506) wells to be completed within the WC-025 G-09 S253235P; LWR Bone Spring (97903) underlying the E/2 of Section 26 and Section 35, Township 25 South, Range 32 East, N.M.P.M., Lea County, New Mexico. Division rules provide that overriding royalty owners should receive notice twenty days before the date of hearing and notice was not timely provided to overriding royalty owners for the force pooling application.

We therefore request your waiver of objection to this notice requirement for the force pooling application so that the hearing may proceed as scheduled on the Division's November 14th, 2019, docket. We respectfully request you that you sign this letter and return it as soon as possible.

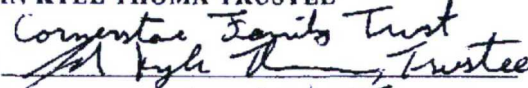
Thank you for your consideration of this matter. Should you wish to discuss please feel free to call me.

Sincerely,


Charles Moran
Land Advisor

The Cornerstone Family Trust, John Kyle Thoma Trustee, agrees to waive objections for notice purposes to EOG Resources, Inc's application for force pooling the above described wells.

THE CORNERSTONE FAMILY TRUST
JOHN KYLE THOMA TRUSTEE

By: 
Printed Name: John Kyle Thoma
Title: Trustee
Date: 11/12/2019

energy opportunity growth