

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



Ms. Lisa Youngblood
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Administrative Order NSP – 2209

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

EOG Resources, Inc. [OGRID 7377]

Lacey Swiss 1 Federal Com Well No. 301H [API No. 30-025-PENDING]
Lacey Swiss 1 Federal Com Well No. 302H [API No. 30-025-PENDING]
Lacey Swiss 1 Federal Com Well No. 304H [API No. 30-025-PENDING]
Lacey Swiss 1 Federal Com Well No. 307H [API No. 30-025-PENDING]
Lacey Swiss 1 Federal Com Well No. 401H [API No. 30-025-PENDING]
Lacey Swiss 1 Federal Com Well No. 404H [API No. 30-025-PENDING]
Lacey Swiss 1 Federal Com Well No. 406H [API No. 30-025-52770]
Lacey Swiss 1 Federal Com Well No. 501H [API No. 30-025-52772]
Lacey Swiss 1 Federal Com Well No. 503H [API No. 30-025-52771]
Lacey Swiss 1 Federal Com Well No. 511H [API No. 30-025-PENDING]

Section 01 & Section 12, T25S R33E, Lea County

Reference is made to your application received on May 10th, 2024.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
Section 01	1279.64	Red Hills; Lower Bone Spring	51020
Section 12			

NSP - 2209
EOG Resources, Inc.
Page 2 of 2

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

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 which are to be included.

It is requested that a non-standard horizontal spacing unit is needed in order to develop the acreage to efficiently locate surface facilities, reduce surface disturbance, consolidate roads and promote effective well spacing, all while protecting correlative rights within the Bonespring formation. Thereby, preventing waste underlying Section 01 and Section 12.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following e-mail address: ocd.engineer@emnrd.nm.gov of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



DYLAN M. EUGE
DIRECTOR (ACTING)
DMF/lrl

Date: 6/26/2024

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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CONDITIONS

Action 366133

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Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 366133
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	7/22/2024