

State of New Mexico
Energy, Minerals and Natural Resources Department

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Governor

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Division Director (Acting)
Oil Conservation Division



Ms. Paula M. Vance
pmvance@hollanhart.com

Administrative Order NSP – 2223

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

EOG Resources, Inc. [OGRID 7377]
The Air Biscuit 16 Federal Com Wells
(No. 701H, No. 702H, No. 703H, No. 704H, No. 705H, No. 706H, No. 707H, No. 708H, No. 741H, No. 742H, No. 743H) [All API No. 30-025-PENDING]

HSU: Section 16 and Section 21, T22S R32E, Lea County

Reference is made to your application received on August 27th, 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 16 | 1280 | Wildcat; Upper Wolfcamp | 98166 |
| Section 21 | | | |

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.

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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 which are to be being included.

It is requested that a non-standard horizontal spacing unit is needed in order efficiently locate surface facilities, reduce surface disturbance, to promote conservation and to promote efficient well spacing within the Wolfcamp formation. Thereby, reducing waste underlying the entirety of Section 16 and Section 21 within the referenced Horizontal Spacing Unit.

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.



Gerasimos Razatos
Division Director (Acting)
GR/lrl

Date: 10/23/24

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 396303

CONDITIONS

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|---|--|
| Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706 | OGRID: 7377 |
| | Action Number: 396303 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| llowe | None | 10/28/2024 |