

3001534603
3001536606



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Phone: (432) 686-3600 Fax: (432) 686-3773

February 7, 2017

Bureau of Land Management
Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Magellan Federal Unit
2017 Plan of Development
Eddy County, New Mexico
EOG Resources, Inc. Contract K0017230

Gentlemen:


EOG Resources, Inc. (EOG), as Unit Operator of the Magellan Federal Unit (MFU), hereby submits for your approval, our 2017 Plan of Development.

Items included are as follows: Planned 2017 operations, previous year operations, current status of all wells within the unit, and production graphs for each productive reservoir. Also attached is a current map, showing respectively the unit's: structural and geologic interpretations, participating area boundaries, wells, flow-lines, and roads.

It is understood that approval of this plan does not approve the work covered by the plan. Individual approval is still required for such items as APD's/ROW's/etc.

Any modifications or additions to this Plan of Development will be filed as supplements to the plan.

Sincerely,



Gary S. Barker
Landman

2017 Planned Operations:

Drilling -

At this time, EOG does not plan any new drill wells in the MFU.

Completions -

At this time, EOG does not plan any new drill wells in the MFU.

Plug Back -

At this time, EOG does not plan any plug backs in the MFU.

Conversion -

At this time, EOG does not plan any conversions in the MFU.

Abandonment -

None

Other surface disturbing operations -

None

Previous Year Operations (2016):

Drilling –

Yates Petroleum Corporation did not drill any new wells in the MFU in 2016.

Completions –

Yates Petroleum Corporation did not complete any wells in the MFU in 2016.

Plug Back –

Yates Petroleum Corporation did not plug back any wells in the MFU in 2016.

Conversion –

Yates Petroleum Corporation did not complete any conversions in the MFU in 2016.

Abandonment –

None

Other surface disturbing operations –

None

Status of all Wells within the Unit:

WELL NAME & NUMBER	API NUMBER	COMP DATE	ZONE	STATUS
Magellan Unit #1	3001534603	09-13-2006	Morrow	Producing
Magellan Unit #3	3001536606	12-17-2008	Morrow	Producing

Production Graphs:

See Attachments

Map of structural and geologic interpretations, participating area boundaries, wells, flow-lines, and roads:

See Attachments

The working interest owners have been provided a copy of this 2017 Plan of Development. EOG Resources, Inc. and the working interest owners believe that all current Magellan Federal Unit obligations have been satisfied.

In accordance with Section 11 of the Magellan Federal Unit Agreement, please signify your approval of the 2017 Plan of Development by executing in the signature block below. Please return one approved copy to EOG Resources, Inc. at the letterhead address.

Should you have any questions or comments in this regard, please contact me at 432-686-3637.

Bureau of Land Management

Date

New Mexico Oil Conservation Division

Date

The foregoing approvals are for the 2017 Plan of Development for the Magellan Federal Unit, Eddy County, New Mexico.

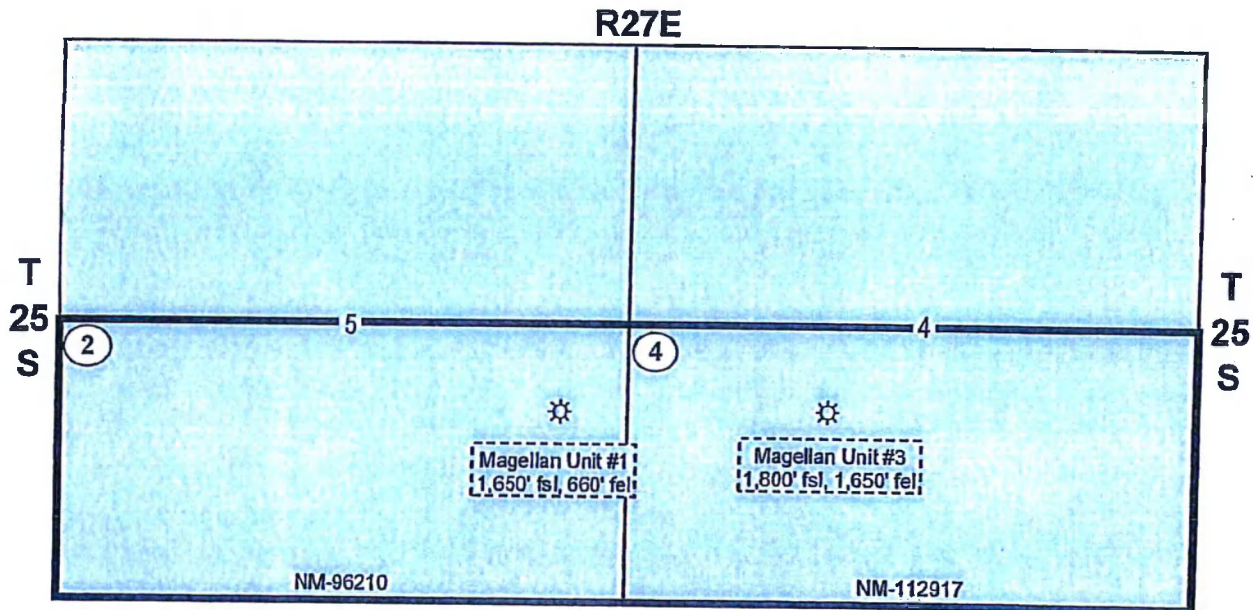
EXHIBIT "A"

YATES PETROLEUM CORPORATION

MAGELLAN FEDERAL UNIT

Township 25 South, Range 27 East, N.M.P.M.
Eddy County, New Mexico

Automatically Contracted Effective September 13, 2011



Indicates Tract No.



Indicates Unit Area



Federal Lands

Scale = 1 mile

