3001534603 3001536606



P.O. Box 2267, Midland, Texas 79702 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. Barke 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, flowlines, 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

Date

New Mexico Oil Conservation Division

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

EXHIBIT "A"

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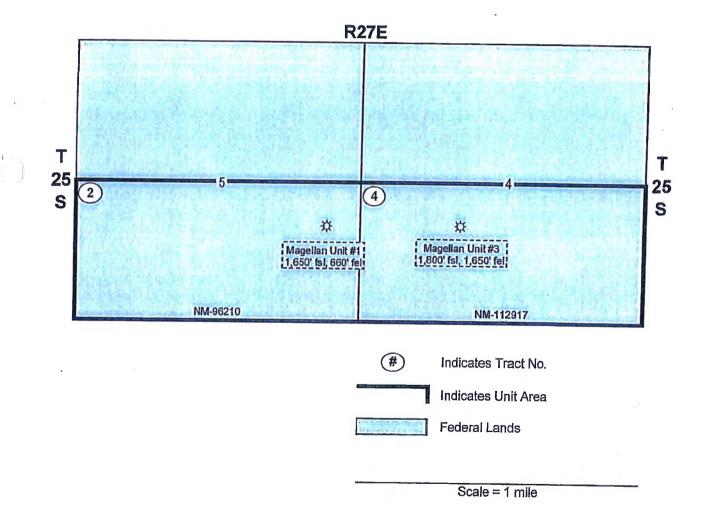
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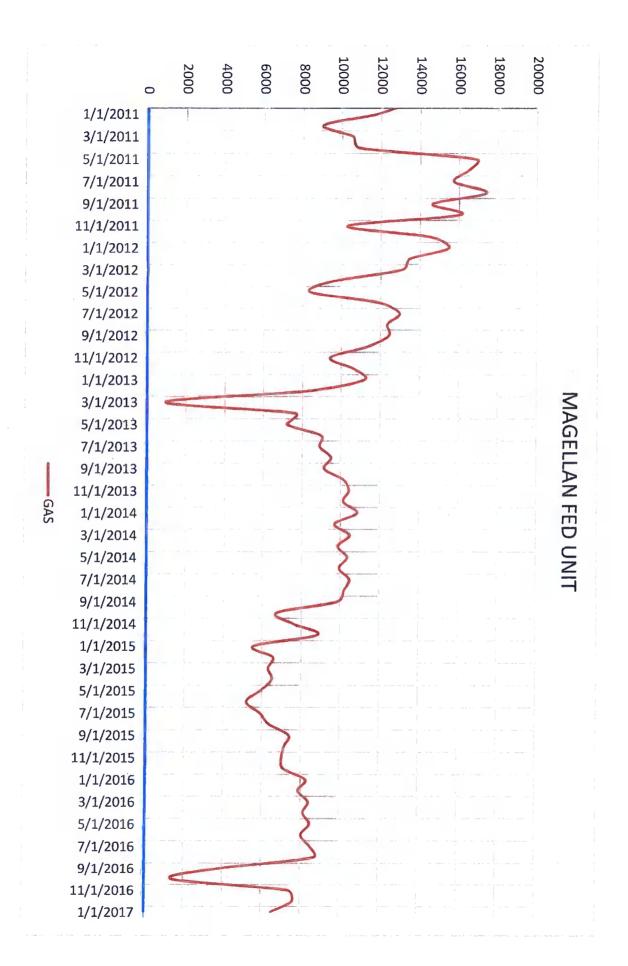
YATES PETROLEUM CORPORATION

MAGELLAN FEDERAL UNIT

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

Automatically Contracted Effective September 13, 2011





27E 245 6/ PASOFED 20/1 -O--D32C L TER AL COMI LANGANA FEDERALI 26 HUMIDOR STATE UNIT2 ROSE 28 27 -**ф**-6 C HATTE MOOTO LE-FEDERALI RIR STAN TATE COLES AN FEDERAL -0-PUBCO STATE Ø ø NEW MICHCO DW STATES 31-0703 Y A TATEL MUNNYNTHAMAN C STATT 32 33 HAREY 35 STATES 34 SINTE TAOS FEDERAL2 WONF CREEK STRATEN MACHINAN FEDERAL UN2 3665 CANNER FEB 11 SIMILATER BUE STATES 谷 電 ADD VOR AL MERGANER & FEDERALI DES MMC MUZZY 2 M COM1 HOYTS ST COM MERGANSER & P ERAL2 0 MC MCILVA STATE 32 STATE 31 Ġ TTE CITY'S' FEDET -C-SCOTER G FED COM1 COT UP PENN 272 MMCP 12/51/05 6 5 HOT 3 STATE COM 4 3 2 ACTINA PEDERAL UNS MUZZY 2 STATE COM 0 -8930 1071 MM MAGELLAN FEDERAL UN4H ADRON BOM STATE COM EASTON 10 STATE COME 0 DAVINICI 7 FEDERALI EQUALS. 0 · CHEVRON STATES ST.MACP 7 HNG-8 FEDE AL1 10 MONA LISA COM2 11 -**¢**-Const -IR42.1 EASTON 10 STATE COM 27.411 MAGELLAM UNIT TOP LOWER MORROW ALL WELLS SHOWN EPDY COUNTY, MM 3/4/10- Wells Updated MRRW Prod through 2/1/10 Authors BAT PODARY Data d March, 2010 Magallan Un T.I. Marg.onp Cle lan Sealer

