BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING JULY 01, 2021

CASE NO. 21978

APPLICATION FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS (Modelo Wells)

LEA COUNTY, NEW MEXICO



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

APPLICATION OF EOG RESOURCES, INC. FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 21978

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

APPLICATION OF EOG RESOURCES, INC. FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 21978

APPLICATION

EOG Resources, Inc. ("EOG" or "Applicant") (OGRID No. 7377) through its undersigned attorneys, hereby files this application with the Oil Conservation Division, for an order approving 1,000-acre, more or less, non-standard spacing units in the Bone Spring and Wolfcamp formations to match the corresponding proposed Communitization Agreement for the acreage underlying all of Section 10, and the N/2 and the NW/4 SW/4 of Section 15, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. In support of its application, EOG states:

- 1. EOG owns all of the working interest in the Bone Spring and Wolfcamp formations and seeks approval of 1,000-acre non-standard spacing units to match the corresponding proposed Communitization Agreements for the federal acreage underlying all of said Section 10, and the N/2 and the NW/4 SW/4 of said Section 15.
- 2. The Triste Draw; Bone Spring Pool (Pool Code 96603) is the only pool within the Bone Spring formation underlying the proposed non-standard spacing unit.
- 3. Within the proposed non-standard spacing unit, EOG intends to drill or has drilled the following wells within the Triste Draw; Bone Spring Pool:

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

- Modelo 10 Federal Com #201H well (API No. 30-025-44616) (EOG intends to file a sundry reflecting the well name will be changed to the Modelo 10 Federal Com #501H well).
- Modelo 10 Federal Com #202H-#210H wells (API No. 30-025-pending)
- Modelo 10 Federal Com #301H-#308H wells (API No. 30-025-pending)
- Modelo 10 Federal Com #502H-#511H wells (API No. 30-025-pending)
- Modelo 10 Federal Com #581H-#586H wells (API No. 30-025-pending)
- Modelo 10 Federal Com #601H-#605H wells (API No. 30-025-pending)

4. EOG's drilling program for this area will develop the Bone Spring formation underlying each of the 40-acre tracts comprising the proposed non-standard spacing unit.

5. The WC-025 G-08 S243213C; Wolfcamp Pool (Pool Code 98309) is the only pool within the Wolfcamp formation underlying the proposed non-standard spacing unit.

6. Within the proposed non-standard spacing unit, EOG intends to drill or has drilled the following wells in the WC-025 G-08 S243213C; Wolfcamp Pool:

• Modelo 10 Federal Com #701H-#710H wells (API No. 30-025-pending)

• Modelo 10 Federal Com #751H-#756H wells (API No. 30-025-pending)

7. EOG's drilling program for this area will develop the Wolfcamp formation underlying each of the 40-acre tracts comprising the proposed non-standard spacing unit.

8. EOG seeks to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed non-standard spacing unit.

9. EOG understands that the Bureau of Land Management will approve a Communitization Agreement for the Bone Spring and Wolfcamp formations underlying the

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acreage comprising the proposed non-standard spacing units once the Division issues approvals of the proposed non-standard spacing units.

10. To allow the existing and permitted wells to be dedicated to the acreage subject to the desired Communitization Agreement, EOG requires approval of corresponding non-standard spacing units in the Bone Spring and Wolfcamp formations.

11. Division Rules contemplate and encourage oil and gas development, where possible, in enlarged areas of common ownership to minimize surface disturbance and to promote efficient well spacing. *See, e.g.*, 19.15.16.7.P NMAC; 19.15.16.15.B(8) NMAC; 19.15.16.15.C(7) NMAC.

12. Approval of this application will allow EOG to efficiently locate surface facilities, reduce surface disturbance, consolidate roads, tanks and pipelines, and promote effective well spacing.

13. Notice of this application will be provided as required by Division rules.

14. Approval of this application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, EOG requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 1, 2021, and that after notice and hearing as required by law, the Division enter an order granting this application.

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Respectfully submitted,

HOLLAND & HART LLP



Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR EOG RESOURCES, INC.

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

APPLICATION OF EOG RESOURCES, INC. FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 21978

AFFIDAVIT OF CHLOE SAWTELLE

Chloe Sawtelle, of lawful age and being first duly sworn, declares as follows:

1. My name is Chloe Sawtelle and I am employed by EOG Resources Inc. ("EOG") as a petroleum landman.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters and my credential have been accepted by the Division and made a matter of public record.

3. I am familiar with the application filed by EOG in this case and I am familiar with the status of the lands in the subject area.

4. I do not expect any opposition to the presentation of this case by affidavit at the hearing.

5. EOG seeks an order approving two 1,000-acre, more or less, non-standard horizontal well spacing units, the first in the Bone Spring formation and the second in the Wolfcamp formation, underlying all of Section 10, and the N/2 and the NW/4 SW/4 of Section 15, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico.

6. **EOG's Exhibit B-1** outlines the acreage comprising the non-standard units. I have identified with different colors the four federal leases covering this acreage. EOG owns all the

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978 working interest in Bone Spring and Wolfcamp formations underlying these proposed nonstandard units.

7. EOG seeks approval of the non-standard units to allow corresponding Communitization Agreements for the federal leases within this subject area. EOG has been informed by the Bureau of Land Management ("BLM") that due to the nature and configuration of these federal leases, the BLM will not approve the commingling of production at central facilities if the subject area is developed using standard spacing units. However, if the Division approves the proposed non-standard spacing units, the BLM has stated it will issue corresponding Communitization Agreements for the federal leases to allow commingling and thereby a reduction in the necessary surface facilities.

8. XTO Energy Inc. ("XTO) owns the 40-acre tract in the SW/4 SW/4 of Section 15. EOG has been in contact with XTO about this non-standard spacing unit and been informed by XTO that the proposed non-standard spacing unit will not prevent XTO from developing this offsetting 40-acre tract. The remaining acreage in the S/2 of Section 15 is operated by Apache under a Joint Operating Agreement covering the Bone Spring and Wolfcamp formations.

9. The Triste Draw; Bone Spring Pool (Pool Code 96603) is the only pool within the Bone Spring formation underlying the proposed non-standard spacing unit. With respect to the Wolfcamp formation, the subject acreage lies between the following two pools: The WC-025 G-08 S243213C; Wolfcamp (Pool Code 98309) and the WC-025 G-08 S243217P; UPR Wolfcamp (Pool Code 98248). It is unclear which pool the Division will place the Wolfcamp wells.

10. EOG intends to dedicate the non-standard units to its "Modelo" wells. A list of the Modelo wells EOG currently plans to drill in various intervals of the Bone Spring and Wolfcamp formations is shown on **EOG's Exhibit B-2**.

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11. **EOG's Exhibit B-3** contains a depiction and listing of the wells EOG initially intends to drill in the Second Bone Spring interval with the Modelo Fed Com #501H - 511H wells and the wells EOG intends to initially drill in the Upper Wolfcamp interval with the Modelo Fed Com #701H - 710H wells.

12. I provided the law firm of Holland & Hart LLP a list of names and addresses of all affected persons in all tracts that adjoin the proposed non-standard spacing units. In compiling this notice list, EOG conducted a diligent search of all public records in the county where the subject acreage is located, including phone directories and computer searches. The BLM was also included in the notice list.

13. EOG Exhibits B-1 through B-3 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Chloe Sawtelle

STATE OF TEXAS)) COUNTY OF MIDLAND) SUBSCRIBED and SWORN to before me this day of 4 Ml 2021 by Chloe Sawtelle. **ERIN LLOYD** My Notary ID # 131680260 NOTARY PUBLIC Expires August 13, 2022

My Commission Expires:

Proposed Non-Standard Horizontal Spacing Unit

Section: 10: All, Section 15: N/2 & NWSW

T24S – R32E

1000.00 Acres

Tract 1: USA NM 119276 (Fed)				
Tract 2:				
USA NM 01917 (Fed)				
Tract 3:				
USA NM 113964 (Fed)				
	Sec. 10			
	Sec. 15			
Tract 4:				
USA NM 039880 (Fed)				
			BI	EFO

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B1 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

Well Names	Formation	Target	
Modelo Fed Com #201H-#210H	Bone Spring	Leondard B	
Modelo Fed Com #301H-#308H	Bone Spring	1 st Bone Spring	
Modelo Fed Com #501H-#511H	Bone Spring	2 nd Bone Spring	
Modelo Fed Com #581H-#586H	Bone Spring	3 rd Bone Spring	
Modelo Fed Com #601H-#605H	Bone Spring	3 rd Bone Spring	
Modelo Fed Com #701H-#710H	Wolfcamp	Upper Wolfcamp	
Modelo Fed Com #751H-#756H	Wolfcamp	Middle Wolfcamp	

Exhibit "B"

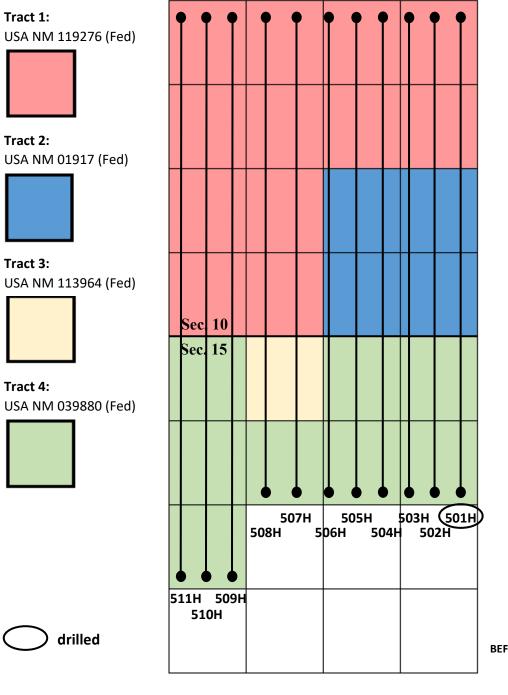
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B2 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

Section: 10: All, Section 15: N/2 & NWSW

T24S – R32E

1000.00 Acres

Bone Spring Development



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B3 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

Section: 10: All, Section 15: N/2 & NWSW

T24S – R32E

1000.00 Acres

Wolfcamp Development

Tract 1: USA NM 119276 (Fed)				•		•				•				•	•
Tract 2: USA NM 01917 (Fed)															
Tract 3: USA NM 113964 (Fed)		Sec. Sec.	_	_											
USA NM 039880 (Fed)															
	71	.он	70)	7	70 08H)7H 70	96H	70	5H 7	04H	70	3H 70	70 2H)1H

Well List with Pool Code

BONE SPRING:

Pool Code: 96603 TRISTE DRAW; BONE SPRING

Modelo 10 Fed Com #501H	(30-025-44616)	Drilled Well
Modelo 10 Fed Com #502H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #503H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #504H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #505H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #506H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #507H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #508H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #509H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #510H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #511H	(30-025-PENDING)	Proposed Well

WOLFCAMP:

Pool Code: 98248 WC-025 G-08 S243217P; UPR WOLFCAMP or 98309 WC-025 G-08 S243213C; WOLFCAMP

Modelo 10 Fed Com #701H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #702H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #703H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #704H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #705H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #706H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #707H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #708H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #709H	(30-025-PENDING)	Proposed Well
Modelo 10 Fed Com #710H	(30-025-PENDING)	Proposed Well

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

APPLICATION OF EOG RESOURCES, INC. FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 21978

AFFIDAVIT OF DENTON O'NEAL

Denton O'Neal, of lawful age and being first duly sworn, declares as follows:

1. My name is Denton O'Neal and I am employed by EOG Resources, Inc. ("EOG") as a Geologist.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of public record.

3. I am familiar with the application filed by EOG in this case, and I have conducted a geologic study of the lands in the subject area.

4. EOG plans to develop various intervals of the Bone Spring and Wolfcamp formations with the "Modelo" wells dedicated to the proposed non-standard horizontal well spacing units.

5. EOG Exhibit C-1 is a subsea structure map that I prepared of the Second Bone Spring Sand underlying the subject area with a contour interval of 10 feet. The structure map shows the formation gently dipping to the east. The structure appears consistent across the proposed nonstandard spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to development of this acreage with horizontal wells.

EFORE THE OIL CONSERVATION DIVISIO Santa Fe, New Mexico Exhibit No. C Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978 6. **EOG Exhibit C-2** is a subsea structure map that I prepared of the Wolfcamp formation underlying the subject area with a contour interval of 10 feet. The structure map shows the formation gently dipping to the east. The structure appears consistent across the proposed non-standard spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to development of this acreage with horizontal wells.

7. EOG Exhibits C-1 and C-2 also show the location of the wells utilized to construct a cross-section for each formation. These wells were included in order to demonstrate the geological similarities both up- and downdip of the proposed "Modelo" spacing unit. This in turn suggests geological similarities within the "Modelo" spacing unit itself.

8. **EOG Exhibit C-3** is a stratigraphic cross section I prepared for the Bone Spring formation using the logs from the wells depicted on Exhibit C-1. Each of these logs contain gamma ray, resistivity and porosity information, with the exception of the Double ABJ State #1 which only contains gamma ray and resistivity. The logs demonstrate that the Bone Spring Formation is continuous across the proposed non-standard unit and all quarter-quarter sections to be included in the non-standard horizontal spacing unit are expected to be productive in the Bone Spring formation.

9. **EOG Exhibit C-4** is a stratigraphic cross section I prepared for the Wolfcamp formation using the logs from the wells depicted on Exhibit C-2. Each of these logs contain gamma ray, resistivity and porosity information, with the exception of the Double ABJ State #1 which only contains gamma ray and resistivity. The logs demonstrate that the Wolfcamp Formation is continuous across the proposed non-standard unit and all quarter-quarter sections to be included in the non-standard horizontal spacing unit are expected to be productive in the Wolfcamp formation.

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10. In my opinion, the proposed non-standard horizontal spacing units will afford EOG the flexibility to match the well spacing over time to the targeted reservoir rather than individual standard spacing units, and allow for more efficient and effective development since the internal setbacks required by standard spacing units will be eliminated.

11. In my opinion, the granting of EOG's applications in this case is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. EOG Exhibits C-1 through C-4 were prepared by me.

FURTHER AFFIANT SAYETH NOT.

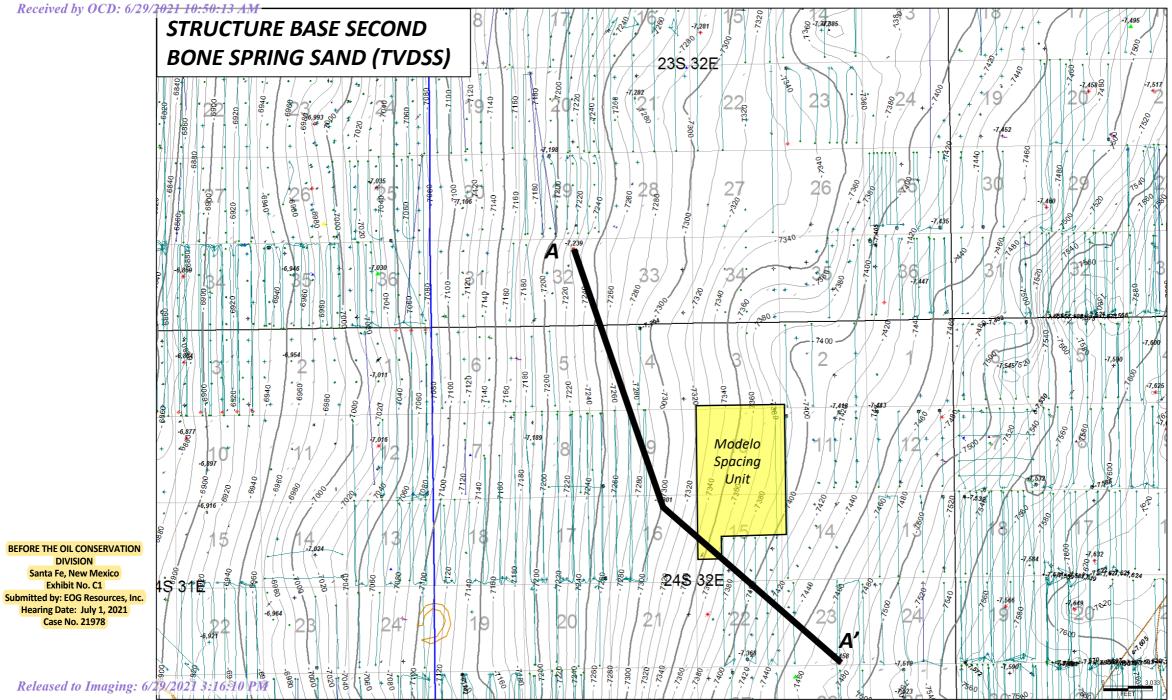
DENTON O'NEAL

STATE OF TEXAS) COUNTY OF MIDLAND) SUBSCRIBED and SWORN to before me this ______ day of Jun 2021 by Denton O'Neal. ERIN LLOYD My Notary ID # 131680260 Expires August 13, 2022 NOTARY PUBLIC

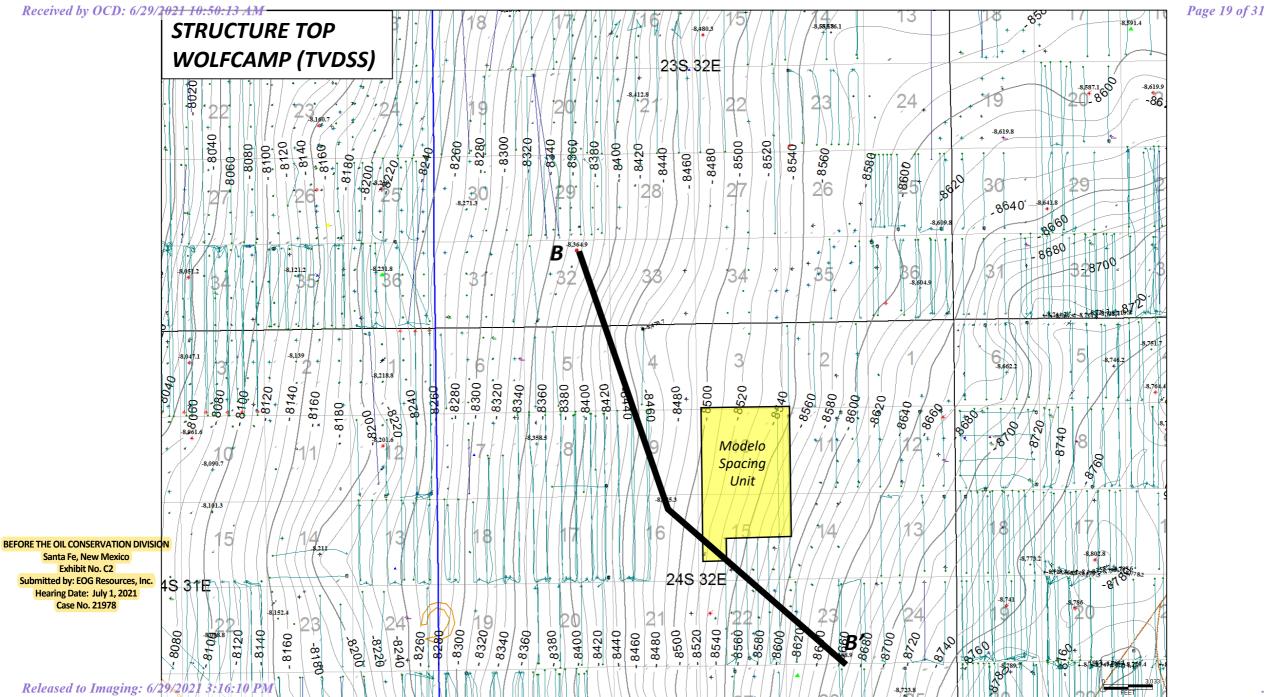
My Commission Expires:



DIVISION

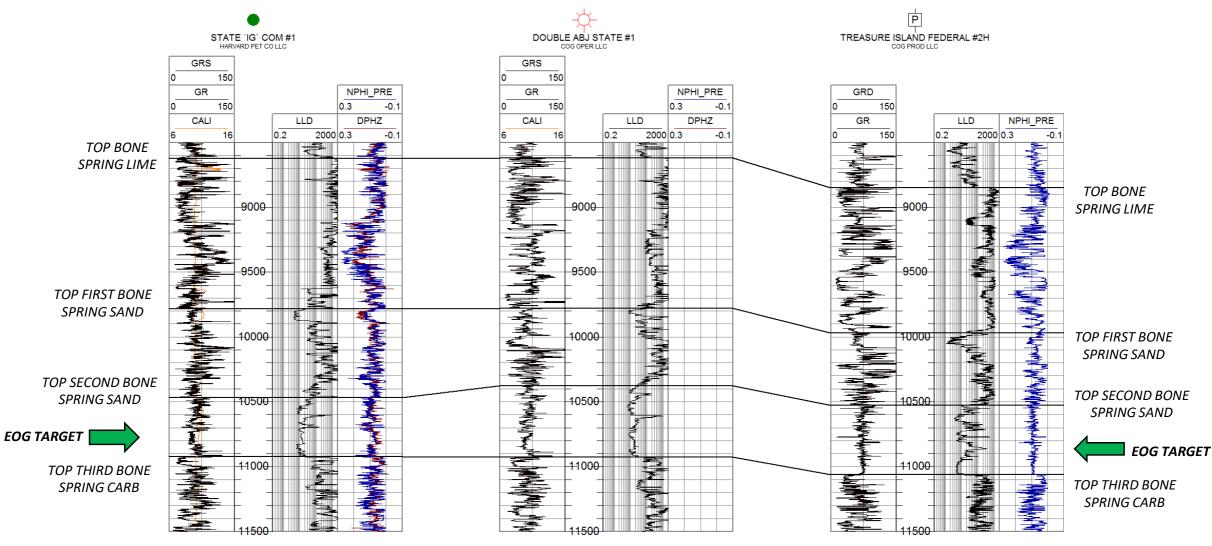


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GR/GRS/GRD: Gamma Ray

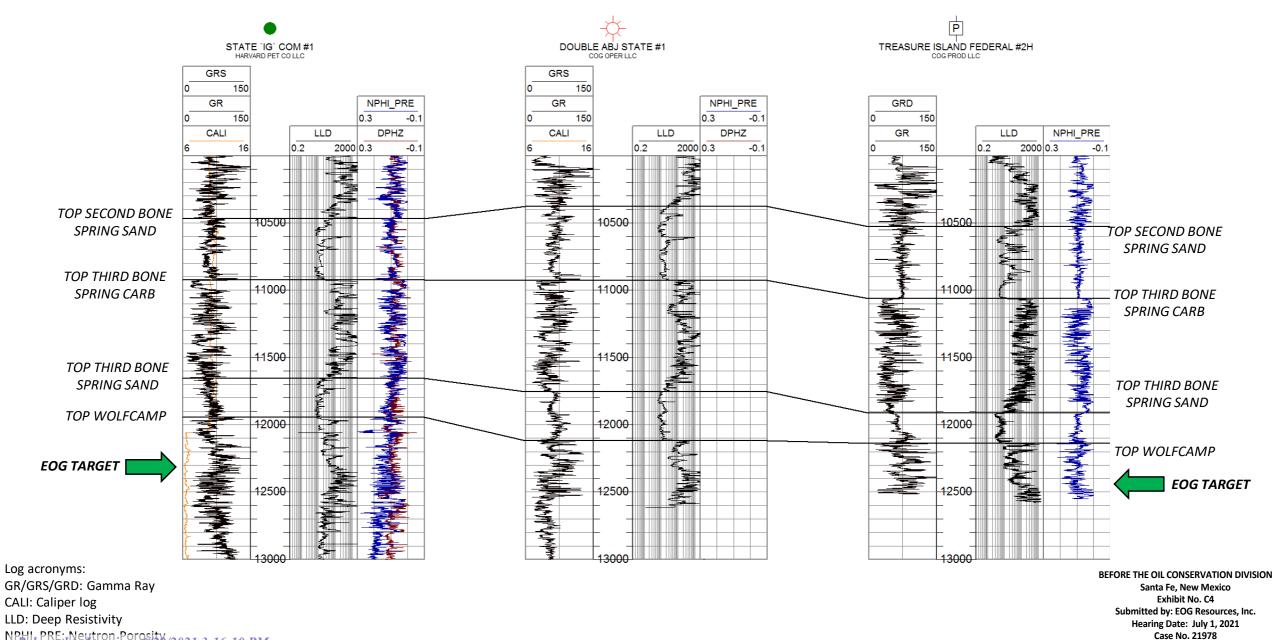
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C3 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

NPHI PRE Neutron Porosity/2021 3:16:10 PM **DPHZ: Density Porosity**

LLD: Deep Resistivity

Log acronyms:

CALI: Caliper log



NPHI, PRE: Neutron Porosity Reteased to Imaging: 6/29/2021 3:16:10 PM DPHZ: Density Porosity

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

APPLICATION OF EOG RESOURCES, INC. FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 21978

AFFIDAVIT OF JESSE PAULS

Jesse Pauls, of lawful age and being first duly sworn, declares as follows:

1. My name is Jesse Pauls and I am employed by EOG Resources, Inc. ("EOG") as a Senior Facilities & Pipeline Engineer.

2. This is my first time testifying before the New Mexico Oil Conservation Division. I graduated from University of Calgary in Canada in 2016 with a chemical engineering major and a petroleum engineering minor. Since graduation, I have worked for EOG as a Facilities and Pipeline Engineer initially in the Bakken and Wyoming assets. Since October of 2019, my responsibilities have included the design and engineering of petroleum production facilities in the Permian Basin. I believe these credentials qualify me to testify as an expert in engineering and petroleum facilities.

3. I am familiar with the application filed by EOG in this case and the surface production facilities required to develop the oil underlying the subject acreage. EOG plans to develop various intervals of the Bone Spring and Wolfcamp formations underlying the subject acreage with the "Modelo" wells.

4. **EOG Exhibit D-1** identifies the tank batteries and related surface production facilities that will be required if the subject acreage is developed using standard horizontal well

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978 spacing units. At least three tank batteries and pipelines to tie into each tank battery will be required if commingling of production from the federal leases is not allowed. In contrast, **EOG Exhibit D-2** shows that only a single tank battery and reduced pipeline length can be utilized for the production if the proposed non-standard spacing units in the Bone Spring and Wolfcamp formation are approved by the Division to allow the commingling of production.

5. The amount of surface acreage generally required for each tank battery and related production facilities is approximately 7 acres. In addition, each tank battery and related production facilities generally costs approximately \$3.15 million to install.

6. **EOG Exhibit D-3** identifies the reduced surface disturbance and cost savings that will occur if these non-standard spacing units are approved to allow commingling. The surface disturbance necessary for the production facilities will be substantially reduced from 33 acres to 14 acres.

7. EOG Exhibit D-3 further reflects that if these non-standard spacing units are approved to allow commingling, there will be a \$5.3 million cost savings to EOG as the sole working interest owner in this acreage. This substantial cost savings will make this project more competitive with drilling projects in Texas and other states, and lower the operating costs for the life of the proposed wells.

8. In addition, consolidating surface facilities for this development project will reduce permitted fugitive VOC emissions from the tanks and related surface facilities needed to produce the hydrocarbons by approximately 67%.

9. In my opinion, approval of the non-standard spacing units requested under EOG's application in this case is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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10. **EOG Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.

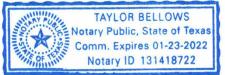
FURTHER AFFIANT SAYETH NOT.

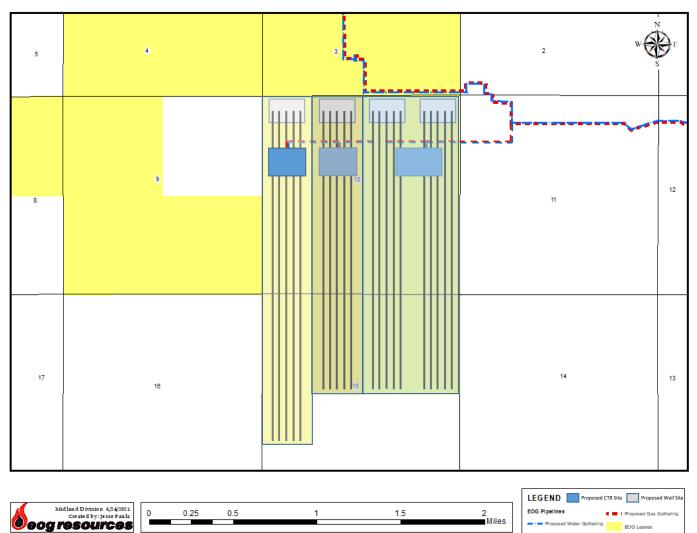
JESSE PAULS

STATE OF TEXAS)
COUNTY OF MIDLAND)
SUBSCRIBED and SWORN	to before me this day of June, 2021, by Jesse
Pauls.	
	Jach. Blu
	NOTARY PUBLIC

My Commission Expires:

01-23-2022





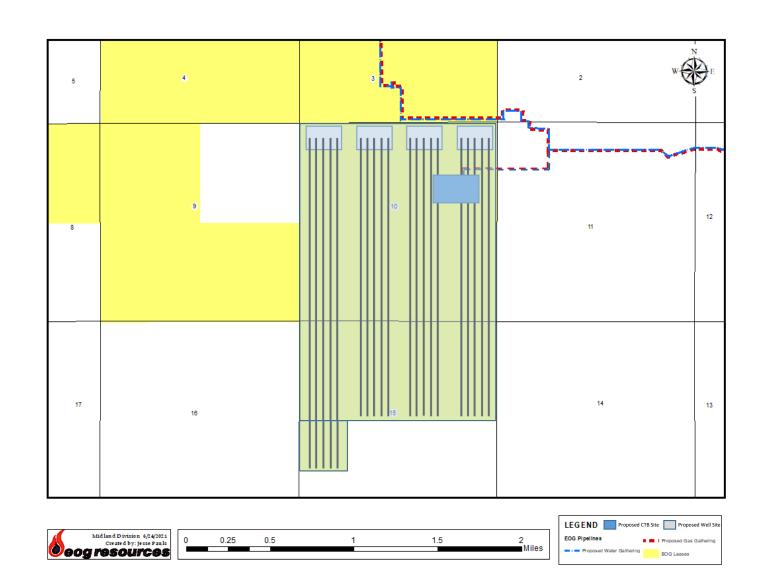
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D1 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

Proposed Gas Gather

EOG Leases

Proposed Water Gathering

Miles



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D2 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

Financial & Environmental Impact

Scenario	Design Basis Per CTB (BOPD)	B Cost (\$M)	F	lowline Cost (\$M)	Pi	ipeline Cost (\$M)	\$ /Well (\$M)	То	tal Capital (\$M)	Disturbance (Acres)
Standard Spacing Unit	30,000	\$ 6,600	\$	1,400	\$	2,850	\$ 517	\$	10,850	33
Non-Standard Spacing Unit	30,000	\$ 2,200	\$	1,900	\$	1,450	\$ 264	\$	5,550	14
Savings	-	\$ 4,400	\$	(500)	\$	1,400	\$ 252	\$	5,300	19

Consolidating production into one facility under the Non-Standard Spacing Unit scenario will yield a 67% reduction in permitted fugitive VOC emissions.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D3 Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978

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

APPLICATION OF EOG RESOURCES, INC. FOR APPROVAL OF 1,000-ACRE NON-STANDARD SPACING UNITS IN THE BONE SPRING & WOLFCAMP FORMATIONS COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 21978

AFFIDAVIT

STATE OF NEW MEXICO)) ss. COUNTY OF SANTA FE)

Michael H. Feldewert, attorney in fact and authorized representative of EOG Resources,

Inc., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced

Application has been provided under the notice letters and proof of receipts attached hereto.

my ly File

Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 28th day of June, 2021 by Michael H.

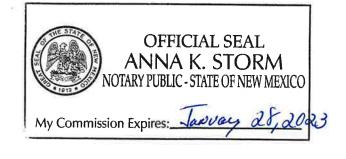
Feldewert.

Notary Public

My Commission Expires:

Vanvay 28, 2023

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978





Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

June 11, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

ATTN: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for approval of 1,000-acre non-standard spacing units in the Bone Spring & Wolfcamp formations comprised of acreage subject to a proposed communitization agreement, Lea County, New Mexico. <u>Modelo Fed Com #201H-#210H, #301H-#308H, #581H-586H, #601H-</u> <u>#605H, #701H-#710H, #751H-#756H wells</u>

Dear Sir or Madam:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on July 1, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Prehearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Chloe Sawtelle, at (432) 208-2391, or Chloe_Sawtelle@eogresources.com.

Sincerely,

Kaitlyn A. Luck ATTORNEY FOR EOG RESOURCES INC.

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandbart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

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EOG - Modelo Nonstandard Case No. 21978 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to the front desk, reception
						area, or mail room at 3:50 pm on June 16, 2021 in
9414811898765802383423	Chevron U.S.A Inc. Attn Land Department	6301 Deauville	Midland	ТΧ	79706-2964	MIDLAND, TX 79706.
						Your item was delivered to an individual at the
						address at 1:31 pm on June 15, 2021 in SANTA FE, NM
9414811898765802383560	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	87508.
						Your item was delivered to an individual at the
						address at 12:51 pm on June 15, 2021 in CARLSBAD,
9414811898765802383522	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	
						Your item was picked up at a postal facility at 6:30 am
9414811898765802383508	New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504-1148	on June 15, 2021 in SANTA FE, NM 87501.
						Your package will arrive later than expected, but is
						still on its way. It is currently in transit to the next
9414811898765802383409	Cimarex Energy Co.	600 N Marienfeld St Ste 600	Midland	ТΧ	79701-4405	,
						Your item was delivered at 10:58 am on June 22, 2021
9414811898765802383492	COG Production LLC	PO Box 2064	Midland	ТΧ	79702-2064	in MIDLAND, TX 79701.
						Your item was delivered at 9:23 am on June 15, 2021
9414811898765802383447	Apache Corporation	303 Veterans Airpark Ln Ste 1000	Midland	ТΧ	79705-4572	in MIDLAND, TX 79705.
						Your item was delivered to the front desk, reception
						area, or mail room at 1:45 pm on June 15, 2021 in
9414811898765802383485	XTO Energy, Inc.	6401 Holiday Hill Rd Bldg 5	Midland	ТХ	79707-2157	MIDLAND, TX 79707.
						Your package will arrive later than expected, but is
						still on its way. It is currently in transit to the next
9414811898765802383430	COG Operating LLC	600 W Illinois Ave	Midland	ТΧ	79701-4882	
						Your package will arrive later than expected, but is
						still on its way. It is currently in transit to the next
9414811898765802383478	XTO Holdings, LLC	22777 Springwoods Village Pkwy	Spring	ТΧ	77389-1425	
						Your package will arrive later than expected, but is
						still on its way. It is currently in transit to the next
9414811898765802383515	Concho Uil & Gas LLC	600 W Illinois Ave	Midland	ſΧ	79701-4882	
						Your item was delivered to the front desk, reception
						area, or mail room at 11:04 am on June 15, 2021 in
9414811898765802383553	Chisos, Ltd.	1331 Lamar St Ste 1077 4 Houston Center	Houston	ГX	//010-3135	HOUSTON, TX 77010.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I. Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated June 15, 2021 and ending with the issue dated June 15, 2021.

hasel

Publisher

Sworn and subscribed to before me this 15th day of June 2021.

118 Black

Business Manager



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL	LEGAL	LEGAL
	LEGAL NOTICE June 15, 2021	
DECOUDCES DEP	XICO ENERGY, MINER ARTMENT OIL CONSEI ANTA FE, NEW MEXIC	
The State of New Mexico, E Oil Conservation Division (hold public hearings before COVID-19 Public Health En Division hearings will be con case will be electronic and on Thursday, July 1, 20 electronic hearing, see the at http://www.emnrd.state.	Energy Minerals and Nat "Division") hereby gives a hearing examiner on the nergency, state buildings nducted remotely. The pi- conducted remotely. The 21, beginning at 8:15 instructions posted below nm.us/OCD/hearings.htm	tural Resources Department, notice that the Division will be following case. During the are closed to the public and ublic hearing for the following he hearing will be conducted a.m. To participate in the w. The docket may be viewed ml or obtained from Marlene uments filed in the case may agin/CaseFileCriteria.aspx. If a reader, amplifier, qualified

lified you are an individual with a disability who needs a i sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **June 21, 2021**.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e27ab61b7f5ad68 b04d4652ecf5502112

Event number: 187 606 9449 Event password: cMbpmxsh633

Join by video: 1876069449@nmemnrd.webex.com Numeric Password: 359882 You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free Access code: 187 606 9449

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected parties, including: Chevron U.S.A., Inc.; Cimarex Energy Co.; COG Production LLC; Apache Corporation; XTO Energy, Inc.; COG Operating LLC; XTO Holdings, LLC; Concho Oil & Gas LLC; and Chisos, Ltd.

Case No. 21978: Application of EOG Resources, Inc. for approval of 1,000-acre non-standard spacing units in the Bone Spring & Wolfcamp formations comprised of acreage subject to a proposed communitization agreement, Lea County, New Mexico. Applicant in the above-styled cause seeks an order approving 1,000-acre, more or less, non-standard spacing units to match the corresponding proposed Communitization Agreements for the federal acreage underlying all of Section 10, and the N/2 and the NW/4 SW/4 of Section 15, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. The acreage underlying the proposed non-standard spacing units are subject to the following Division designated pools: • Triste Draw; Bone Spring Pool (Pool Code 96603) • WC-025 G-08 S243213C; Wolfcamp Pool (Pool Code 98309) The subject area is located approximately 28 miles northwest of Jal, New Mexico.

Mexico

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HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Submitted by: EOG Resources, Inc. Hearing Date: July 1, 2021 Case No. 21978