BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 2, 2021

CASE NO. 22261

COLGROVE 35 FEDERAL COM #701H-#708H 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 A 945.20-ACRE NON STANDARD SPACING UNIT IN THE WOLFCAMP FORMATION COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 22261

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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 A 945.20-ACRE NON-STANDARD SPACING UNIT IN THE WOLFCAMP FORMATION COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 2226

APPLICATION

EOG Resources, Inc. ("EOG" or "Applicant") (OGRID No. 7377) through its undersigned attorneys, files this application with the Oil Conservation Division for an order approving 945.20acre, more or less, non-standard spacing unit in the Wolfcamp formation [Sanders Tank; Upper Wolfcamp (Pool Code 98097)], underlying all of Sections 26 and 35, including Lots 1, 2, 3 and 4, in Township 26 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, EOG states:

1. EOG owns all the working interest within the subject acreage and seeks approval of this proposed non-standard spacing unit to match the proposed corresponding Communitization Agreement for the federal leases within the subject area.

2. Due to the nature and configuration of the federal leases, the Bureau of Land Management ("BLM") will not approve the commingling of production at central facilities if the subject area is developed using standard spacing units. *See, e.g.*, 43 CFR 3173.14 (addressing authorized commingling). However, if the proposed non-standard spacing unit is approved by the Division, EOG understands that the BLM will issue a corresponding Communitization Agreement for the federal leases within the subject area to allow commingling and a corresponding reduction of the necessary surface facilities.

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

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

4. Within the proposed non-standard spacing unit, EOG has drilled or intends to drill

the following wells:

- Colgrove 35 Federal Com #701H (API No. 30-025-43018);
- Colgrove 35 Federal Com #702H (API No. 30-025-42983);
- Colgrove 35 Federal Com #703H (API No. 30-025-45894);
- Colgrove 35 Federal Com #704H (API No. 30-025-45895);
- Colgrove 35 Federal Com #705H (API No. 30-025-43570);
- Colgrove 35 Federal Com #706H (API No. 30-025-43571);
- Colgrove 35 Federal Com #707H (API No. 30-025-43572); and
- Colgrove 35 Federal Com #708H (API No. 30-025-43573).

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

6. To allow the existing and permitted wells to be dedicated to the desired Communitization Agreements, EOG requires approval of a corresponding non-standard spacing unit in the Wolfcamp formations.

7. 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.

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

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

10. 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 November 4, 2021, and that after notice and hearing as required by law, the Division enter an order granting this application.

Respectfully submitted,

HOLLAND & HART LLP

By:

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) 988-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@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 A 945.20-ACRE NON-STANDARD SPACING UNIT IN THE WOLFCAMP FORMATION COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 22261

AFFIDAVIT OF REECE COOK

Reece Cook, of lawful age and being first duly sworn, declares as follows:

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

2. I have not previously testified before the New Mexico Oil Conservation Division.

My resume, which outlines my educational and relevant work experience qualifying me to testify as an expert witness in petroleum land matters, is attached as **Exhibit B-1**.

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. In this case, EOG seeks an order approving a 945.20-acre, more or less, nonstandard spacing unit in the Wolfcamp formation [Sanders Tank; Upper Wolfcamp (Pool Code 98097)], underlying all of Sections 26 and 35, including Lots 1, 2, 3 and 4, in Township 26 South, Range 33 East, NMPM, Lea County, New Mexico. 6. EOG's Exhibit B-2 outlines the acreage comprising the proposed non-standard unit. I have identified the federal leases covering this acreage with different colors.

7. EOG owns all the working interest in Wolfcamp formation underlying this proposed non-standard unit.

8. EOG seeks approval of the proposed unit to conform to the Bureau of Land Management's ("BLM") communitization agreement form and to minimize surface disturbance by consolidating facilities and commingling production from existing and future wells in the proposed unit.

9. EOG understands that the BLM requires Division approval of the proposed unit and that the BLM only approves communitization agreements that conform to a state-approved spacing unit. Without Division approval of the proposed unit, EOG would be required to construct separate facilities for standard spacing units.

10. **EOG Exhibit B-3** is a copy of the proposed communitization agreement for the Wolfcamp formation underlying the subject acreage for the proposed unit in this case.

11. The Sanders Tank; Upper Wolfcamp (Pool Code 98097) is the only pool within the Wolfcamp formation underlying the proposed non-standard spacing unit.

12. EOG intends to dedicate the non-standard unit to its "Colgrove" wells, as follows:

- Colgrove 35 Federal Com #701H (API No. 30-025-43018);
- Colgrove 35 Federal Com #702H (API No. 30-025-42983);
- Colgrove 35 Federal Com #703H (API No. 30-025-45894);
- Colgrove 35 Federal Com #704H (API No. 30-025-45895);
- Colgrove 35 Federal Com #705H (API No. 30-025-43570);
- Colgrove 35 Federal Com #706H (API No. 30-025-43571);
- Colgrove 35 Federal Com #707H (API No. 30-025-43572); and
- Colgrove 35 Federal Com #708H (API No. 30-025-43573).
- 13. EOG Exhibit B-4 includes the Form C-102s for each of the wells, which reflect

the first and last take points for each well in the proposed unit.

14. EOG is the designated operator in each of the adjoining tracts surrounding the proposed spacing unit. Accordingly, the only parties requiring notice under Division Rules are the BLM and New Mexico State Land Office.

15. **EOG Exhibits B-1** through **B-4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Reece Cook

STATE OF TEXAS

COUNTY OF MIDLAND

SUBSCRIBED and SWORN to before me this 23rd day of novembro 21 by

))

)

Reece Cook.



NOTARY PUBLIC

My Commission Expires:



REECE D. COOK, CPL

5509 Champions Drive Midland, TX 79706

Summary:

Certified Professional Landman with over 11 years of in-house experience in various aspects of Land Work in the Rocky Mountain region and Permian Basin..

Employment Experience

EOG Resources, Inc. - January 2019-Present

• Permian Basin

- Provide all aspects of mineral land support to execute company drilling program and running up to 20 drilling rigs. This includes ordering and reviewing title opinions, analyzing Federal and State leases, negotiating Joint Operating Agreements and various NMOCD and RRC filings.
- o Manage title curative efforts and prepare Federal and State Communitization Agreements.
- Analyze and negotiate various strategic trades, divestitures and acquisitions that align with strategic company goals. Evaluate competitor acreage positions and present potential bolt on opportunities to internal Asset team.

Newfield Exploration Company - August 2015- November 2018

• Uinta Basin

- Work closely with cross-functional asset team to provide surface and subsurface land support to
 effectively execute a one rig drilling program. Includes working with field brokers to obtain abstracts and
 title attorneys to obtain title opinions to determining company working interest and net revenue interest.
- Additional responsibilities tied to operating a continuing drilling program include obtaining and reviewing Surface Use Agreements, leases covering Fee, Federal and State minerals, acreage trades and assignments, as well as Communitization Agreements and Declaration of Pooling documents.
- Provide Land and Asset management with acreage totals, leasing activity updates and Uinta Basin activity.
- Provide Land testimony and exhibits for UDOGM Board Spacing and Exception Location hearings.

ConocoPhillips Company - January 2010- April 2015

• Rockies Business Unit

- Provided essential land support to effectively execute an 11-rig horizontal drilling program. Collaborated with the cross-functional asset team to create case exhibits and provide expert testimony in North Dakota Industrial Commission hearings on land matters for spacing and increased density.
- Created and implemented a title curative process and was the Project Manager for North Dakota title curative efforts. Managed contractors during the project and gained valuable experience leading a group towards a common goal. Enabled the release of \$25MM of funds in suspense.
- Worked closely with title attorneys to review incoming title opinions. Established ownership decks and worked with the division order group to continually update both company and partner ownership in company-operated spacing units.
- Interfaced with mineral interest owners over issues with interest claims and AFE inquiries. Negotiated resolutions or provided supporting documentation to support the company's position.

San Juan Business

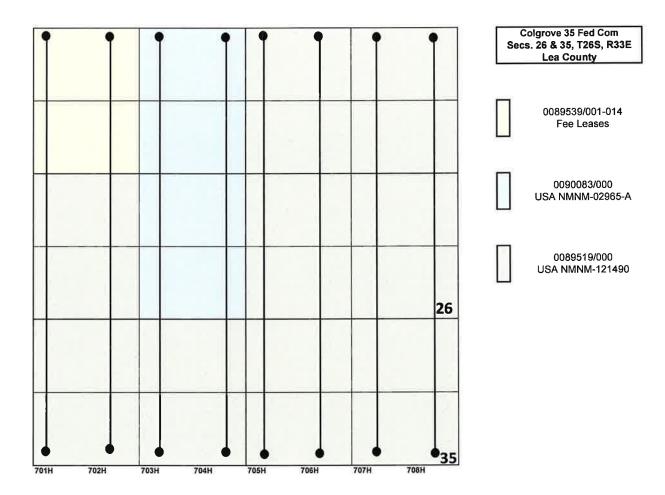
Education

- Texas Tech University, BBA Energy Commerce
- Graduation Date: December 2009

Professional Organizations

- AAPL 2010-Present
- PBLA 2019-Present
- Four Corners Association of Professional Landmen 2010-2012
 Secretary 2011-2012

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B1 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261



Plat

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B2 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

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110-001 #3-9 M

Federal Communitization Agreement

Contract No.

THIS AGREEMENT entered into as of the 1st day of **January**, 2019, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 26 South, Range 33 East, Lea County New Mexico Section 26: All Section 35: All including Lots 1, 2, 3, & 4

Containing <u>945.20 acres</u>, more or less, and this agreement shall include only the <u>Wolfcamp</u> Formation underlying said lands and the oil, natural gas, and associated liquid hydrocarbons

(hereinafter referred to as "communitized substances") producible from such formation.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B3 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- 3. The Operator of the communitized area shall be EOG Resources, Inc., 5509 Champions Drive, Midland, TX 79706. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.

The royalties payable on communitized substances allocated to the individual 6. leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- The date of this agreement is 1st day of January, 2019, and it shall become 10. effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be

subject to approval by the Secretary of the Interior, or his duly authorized representative.

- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination</u>. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator/Working Interest Owner

EOG Resources, Inc.

Date

By: Wendy Dalton as Agent & Attorney-In-Fact

Record Title Owner ConocoPhillips Company

By:_

Date

as Attorney-In-Fact

ACKNOWLEDGEMENT

STATE OF <u>TEXAS</u>)) ss. COUNTY OF <u>MIDLAND</u>)

On this _____day of ______, 2019, before me, a Notary Public for the State of Texas, personally appeared Wendy Dalton, known to me to be the Agent & Attorney-In-Fact of EOG Resources, Inc., a Delaware corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

STATE OF <u>TEXAS</u>)) ss. COUNTY OF <u>HARRIS</u>)

On this ______day of ______, 2019, before me, a Notary Public for the State of Texas, personally appeared _______, as Attorney-In-Fact of ConocoPhillips Company, a Delaware corporation, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

Exhibit A

To Communitization Agreement dated January 1, 2019 embracing the All of Section 26 and All of Section 35 including Lots 1, 2, 3, & 4 of T26S, R33E, N.M.P.M., Lea County, New Mexico.

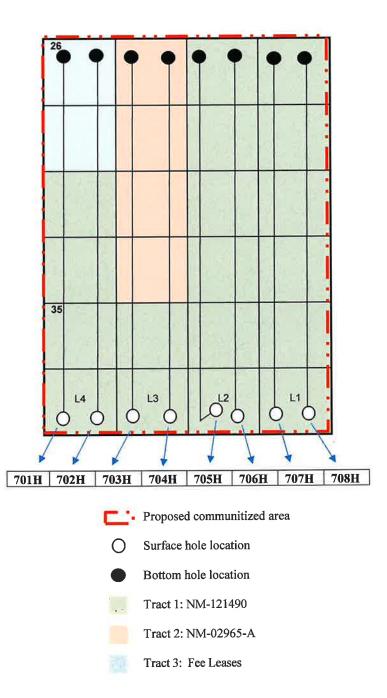


Exhibit B

To Communitization Agreement dated January 1, 2019 embracing the All of Section 26 and All of Section 35 including Lots 1, 2, 3, & 4 of T26S, R33E, N.M.P.M., Lea County, New Mexico.

Operator of Communitized Area: EOG Resources, Inc.

Operator of Communitized Area:	EOG Resources, Inc. 5509 Champions Dr. Midland, Texas 79706
Tract No.: Serial No. of Lease: Lessor: Original Lessee: Present Lessee: Date of Lease: Lease Term: Description of Lands Committed:	1 NMNM-121490 Bureau of Land Management Daniel E. Gonzales EOG Resources, Inc. – 100.00% January 1, 2009 10 Years Insofar and only insofar as said lease covers the E/2 & the W/2SW/4 of Section 26 and the N/2N/2 and Lots 1, 2, 3, & 4 of Section 35, Township 26 South, Range 33 East, NMPM Lea County, New Mexico
Number of Acres: Royalty Rate: Working Interest: ORRI:	705.20 12.5% 100.00% (EOG Resources, Inc.) None
Tract No.: Serial No. of Lease: Lessor: Original Lessee: Present Lessee: Date of Lease: Lease Term: Description of Lands Committed: Number of Acres: Royalty Rate: Working Interest: ORRI:	2 NMNM-02965-A Bureau of Land Management Robert E. Payne ConocoPhillips Company – 100.00% April 1, 1952 5 Years Insofar and only insofar as said lease covers the E/2W/2 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 160.00 12.5% 100.00% (EOG Resources, Inc.) 4.50% (ConocoPhillips Company)

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Tract No: Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed: Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI:	3a Bennett T. Easterling EOG Resources, Inc. October 8, 2008 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 24% 100.00% (EOG Resources, Inc.) 0.00005290– Maner B. Shaw 0.00005290– Maner B. Shaw 0.00005290 – James R. Smith & wife Kendall Smith 0.00001058 – Tim Lilley & wife Tashina Lilley 0.00001058 – Marc Lilley & wife Lisa Lilley 0.00001058 – Marc Lilley & wife Lisa Lilley 0.00002116 – J & F Investments, LLC 0.00000529 – Chad Barbe & wife Marci Barbe 0.00000529 – Kenneth Barbe, Jr. & wife Teresa Barbe
Tract No: Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed: Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI:	 3b Lance Sears Easterling EOG Resources, Inc. October 8, 2008 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 24% 100.00% (EOG Resources, Inc.) 0.00000882 – Maner B. Shaw 0.00000882 – James R. Smith & wife Kendall Smith 0.0000176 – Tim Lilley & wife Tashina Lilley 0.00000353 – J & F Investments, LLC 0.0000088 – Chad Barbe & wife Marci Barbe 0.0000088 – Kenneth Barbe, Jr. & wife Teresa Barbe
Tract No: Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed: Number of Acres: Authority for Pooling: Royalty Rate: Working Interest:	3c Susan Swaim EOG Resources, Inc. October 8, 2008 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 24% 100.00% (EOG Resources, Inc.)

ORRI:

Tract No:

0.00000882 – Maner B. Shaw 0.00000882 – James R. Smith & wife Kendall Smith 0.00000176 – Tim Lilley & wife Tashina Lilley 0.00000176 – Marc Lilley & wife Lisa Lilley 0.00000353 – J & F Investments, LLC 0.00000088 – Chad Barbe & wife Marci Barbe 0.00000088 – Kenneth Barbe, Jr. & wife Teresa Barbe

Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed:

Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI:

Tract No: Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed:

Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI: 3d Katherine Ross Madera Sharbutt EOG Resources, Inc. October 8, 2008 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 **Designation of Pooled Unit** 24% 100.00% (EOG Resources, Inc.) 0.00005290- Maner B. Shaw 0.00005290 - James R. Smith & wife Kendall Smith 0.00001058 - Tim Lilley & wife Tashina Lilley 0.00001058– Marc Lilley & wife Lisa Lilley 0.00002116 - J & F Investments, LLC 0.00000529 - Chad Barbe & wife Marci Barbe 0.00000529 - Kenneth Barbe, Jr. & wife Teresa Barbe

3e

Lela Ellen Madera EOG Resources, Inc. October 8, 2008 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 24% 100.00% (EOG Resources, Inc.) 0.00005290- Maner B. Shaw 0.00005290 - James R. Smith & wife Kendall Smith 0.00001058 - Tim Lilley & wife Tashina Lilley 0.00001058-- Marc Lilley & wife Lisa Lilley 0.00002116 - J & F Investments, LLC 0.00000529 - Chad Barbe & wife Marci Barbe 0.00000529 – Kenneth Barbe, Jr. & wife Teresa Barbe

Tract No: 3f Zane Kiehne Lessor: EOG Resources, Inc. Lessee: October 8, 2008 Date of Lease: Lease Term: 3 Years Insofar and only insofar as said lease covers the W/2NW/4 **Description of Lands** of Section 26, Township 26 South, Range 33 East, NMPM Committed: Lea County, New Mexico 80.00 Number of Acres: **Designation of Pooled Unit** Authority for Pooling: 25% **Royalty Rate:** 100.00% (EOG Resources, Inc.) Working Interest: None ORRI: 6.25% NPRI: Tract No: 3g Elizabeth Lucille Rectenwald Lessor: Lessee: EOG Resources. Inc. Date of Lease: October 8, 2008 Lease Term: 3 Years Insofar and only insofar as said lease covers the W/2NW/4 Description of Lands of Section 26, Township 26 South, Range 33 East, NMPM Committed: Lea County, New Mexico Number of Acres: 80.00 **Designation of Pooled Unit** Authority for Pooling Royalty Rate: 24% Working Interest: 100.00% (EOG Resources, Inc.) ORRI: 0.00001567 - Maner B. Shaw 0.00001567 - James R. Smith & wife Kendall Smith 0.00000313 - Tim Lilley & wife Tashina Lilley 0.00000313 - Marc Lilley & wife Lisa Lilley 0.00000627 - J & F Investments, LLC 0.00000157 - Chad Barbe & wife Marci Barbe 0.00000157 - Kenneth Barbe, Jr. & wife Teresa Barbe 3h Tract No: Ross Eugene Easterling, Jr. Lessor: EOG Resources, Inc. Lessee: October 8, 2008 Date of Lease: Lease Term: 3 Years Insofar and only insofar as said lease covers the W/2NW/4 **Description of Lands** of Section 26, Township 26 South, Range 33 East, NMPM Committed: Lea County, New Mexico Number of Acres: 80.00 **Designation of Pooled Unit** Authority for Pooling Royalty Rate: 24% 100.00% (EOG Resources, Inc.) Working Interest: 0.00001567 - Maner B. Shaw ORRI: 0.00001567 - James R. Smith & wife Kendall Smith 0.00000313 – Tim Lilley & wife Tashina Lilley 0.00000313 - Marc Lilley & wife Lisa Lilley 0.00000627 - J & F Investments, LLC 0.00000157 - Chad Barbe & wife Marci Barbe 0.00000157 - Kenneth Barbe, Jr. & wife Teresa Barbe

Tract No:	3i
Lessor:	EFS Royalty Partners L.P. & Trunk Bay Royalty Partners, Ltd.
Lessee: Date of Lease:	EOG Resources, Inc. October 23, 2008
Lease Term:	3 Years
Description of Lands	Insofar and only insofar as said lease covers the W/2NW/4
Committed:	of Section 26, Township 26 South, Range 33 East, NMPM
Number of Acres:	Lea County, New Mexico 80.00
Authority for Pooling:	Designation of Pooled Unit
Royalty Rate:	
Working Interest: ORRI:	100.00% (EOG Resources, Inc.) None
or wat	
Tract No:	3j
Lessor	Oscura Resources, Inc. EOG Resources, Inc.
Lessee: Date of Lease:	March 12, 2008
Lease Term:	3 Years
Description of Lands	Insofar and only insofar as said lease covers the W/2NW/4
Committed:	of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico
Number of Acres:	80.00
Royalty Rate:	25%
Working Interest: ORRI:	100.00% (EOG Resources, Inc.) None
orad.	
Tract No:	3k
Lessor:	Raymond F. Fort and wife, Jaunell Fort EOG Resources, Inc.
Lessee: Date of Lease:	April 23, 2008
Lease Term:	3 Years
Description of Lands	Insofar and only insofar as said lease covers the W/2NW/4
Committed:	of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico
Number of Acres:	80.00
Authority for Pooling:	Designation of Pooled Unit
Royalty Rate: Working Interest:	25% 100.00% (EOG Resources, Inc.)
ORRI:	None
Tract No:	31
Lessor:	Dorchester Minerals

EOG Resources, Inc.

October 1, 2013

3 Years

Lessee:

Date of Lease:

Lease Term:

•

Description of Lands Committed:

Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI:

Tract No: Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed:

Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI:

Tract No: Lessor: Lessee: Date of Lease: Lease Term: Description of Lands Committed:

Number of Acres: Authority for Pooling: Royalty Rate: Working Interest: ORRI: Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 25% 100.00% (EOG Resources, Inc.) None

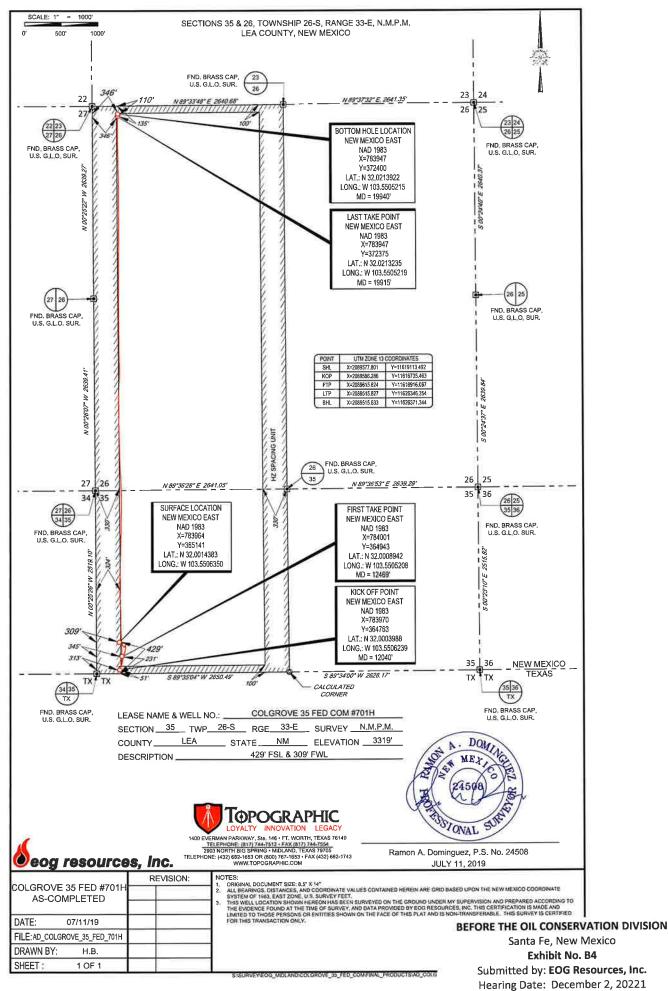
3m Ricky Raindl EOG Resources, Inc. December 1, 2013 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 25% 100.00% (EOG Resources, Inc.) None

3n Debra Kay Primera EOG Resources, Inc. December 1, 2013 3 Years Insofar and only insofar as said lease covers the W/2NW/4 of Section 26, Township 26 South, Range 33 East, NMPM Lea County, New Mexico 80.00 Designation of Pooled Unit 25% 100.00% (EOG Resources, Inc.) None

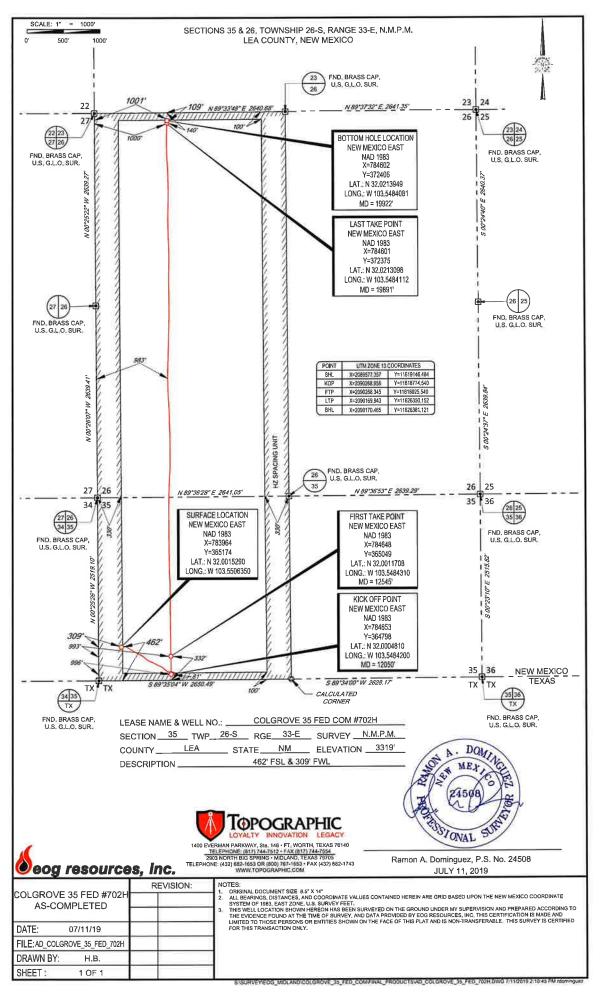
RECAPITULATION

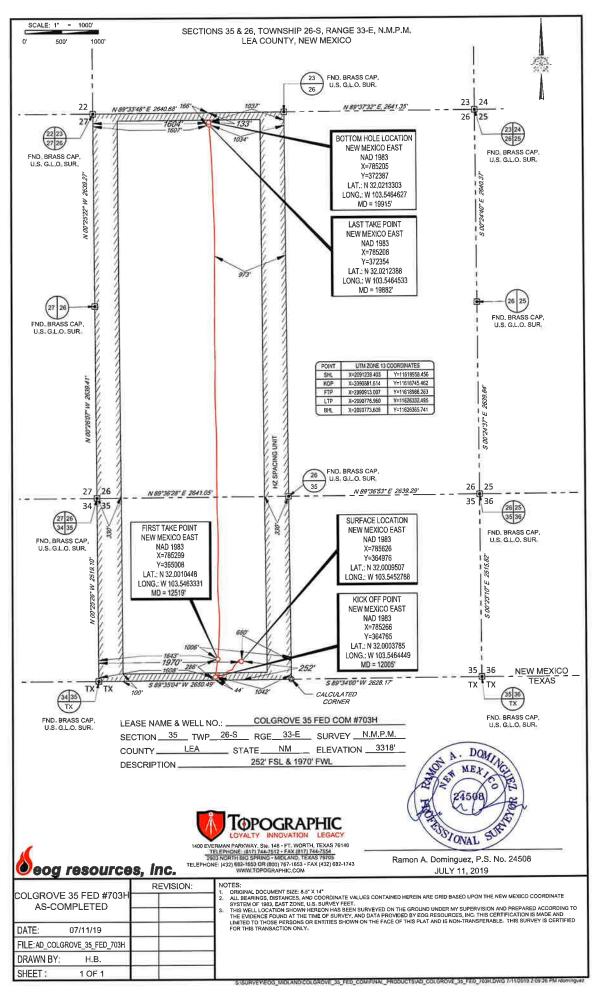
Tract Number	Number of Acres Committed	Percentage of Interest in the Communitized Area
1	705.20	74.6086%
2	160.00	16.9276%
3	80.00	8.4638%
Total	945.20	100.0000%

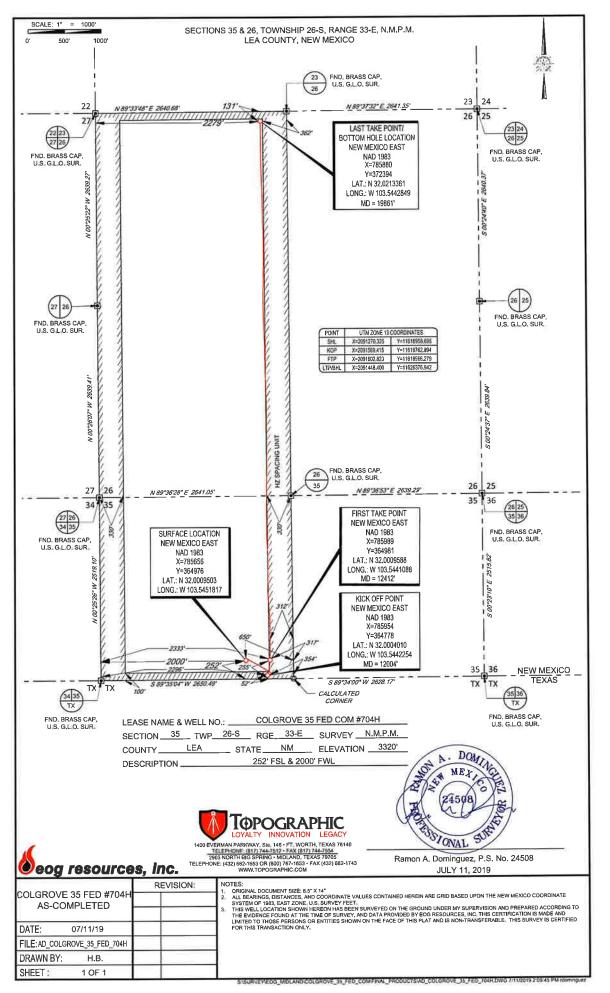
Case No. 22261



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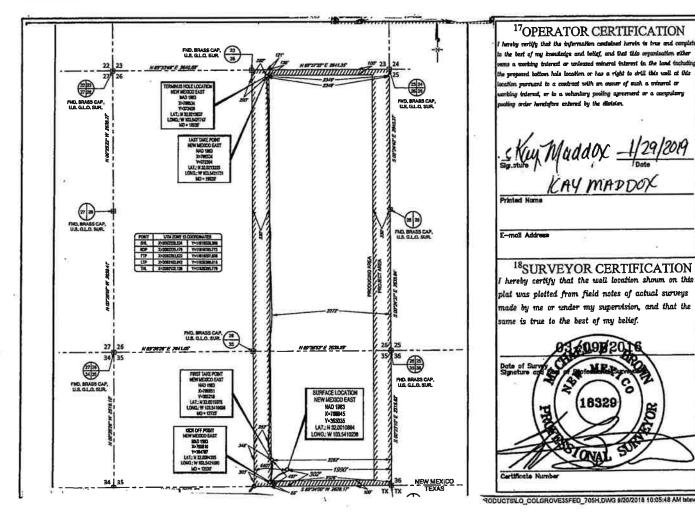
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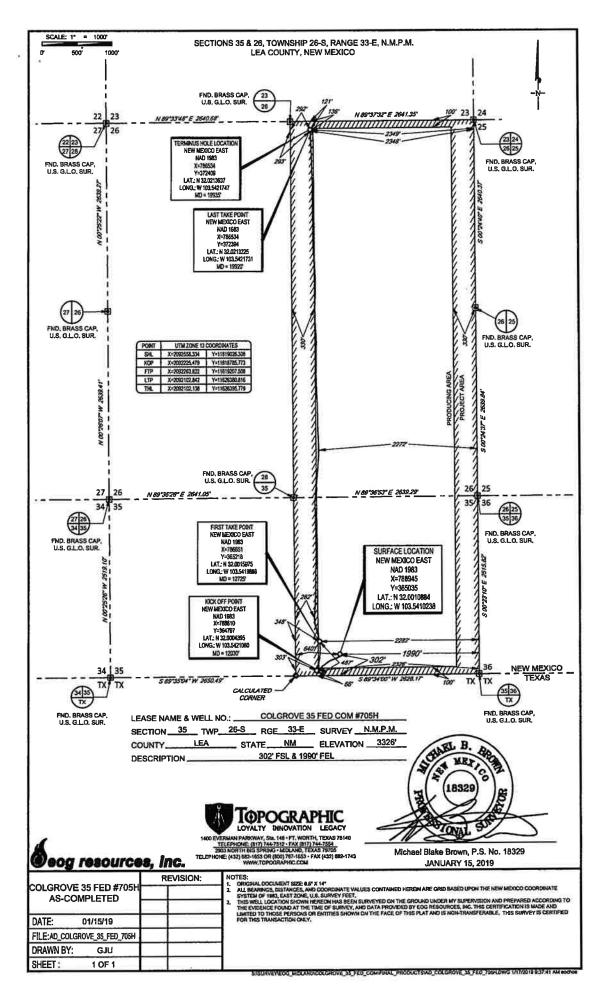
or has a right to drill this sail at this of such a

istrict I 25 N. Franch Dr., Hobbs, NM 88: none: (575) 393-6161 Fex: (575): istrict II 11 S. First St., Antesia, NM 88210 none: (575) 748-1283 Fex: (575) istrict III WO Rio Brazos Road, Azteo, NM i hone: (505) 334-6178 Fex: (505) istrict IV	240 1933-0720 74440BB 87410 834-6170 JAN	5 OGP 31 2019 (ergy, M DIL CO 122	0 South St.	Francis Dr.	rces N	Sub	mit one coj	FORM C-102 ed August 1, 2011 py to appropriate District Office			
20 S. St. Francis Dr., Santa Fe, Ni 1206: (505) 476-3460 Fax: (505) 4 14 API Numb	WI		ATION	Santa Fe, NI	M 87505 EAGE DEDICA	TION PLAT	-		INDED REPORT			
30-025-4357)	98097	98097 Sanders Tank; Upper Wolf					lfcamp				
*Property Code		⁵ Property Name					"Well Number					
315730		Colgrove 35 Fed Com						#705H				
⁷ OGRID No.		⁸ Operator Name						SElevation				
7377		EOG RESOURCES, INC.					3326'					
				¹⁰ Surface Loc	cation							
L or lot no. Sectio	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	om the East/West line County					
2 35	26-S :	33–E	-	302'	SOUTH	1990'	EAST LEA		LEA			
	JI.	11Bott	tom Hole	Location If Di	fferent From Surf	ace						
JL or lot no. Sectio				Feet from the	from the North/South line Feet from the I			West line	County			
B 26	26-S	33-E	-	121'	NORTH	2349'	EAST	r	LEA			
Dedicated Acres ¹³ Joint or	Infill ¹⁴ Cons	olidation Code	¹⁵ Order N									

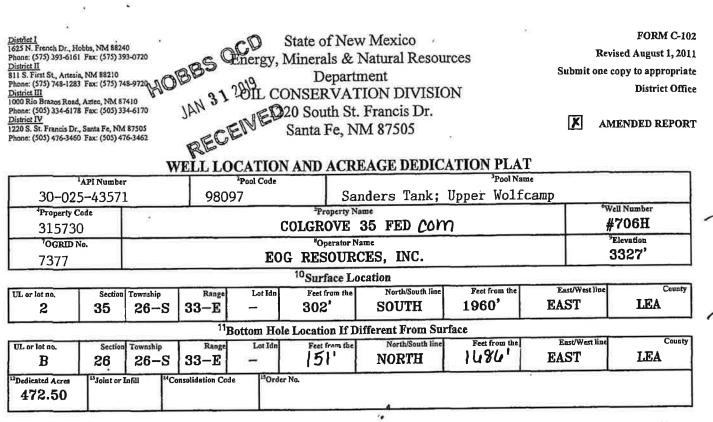
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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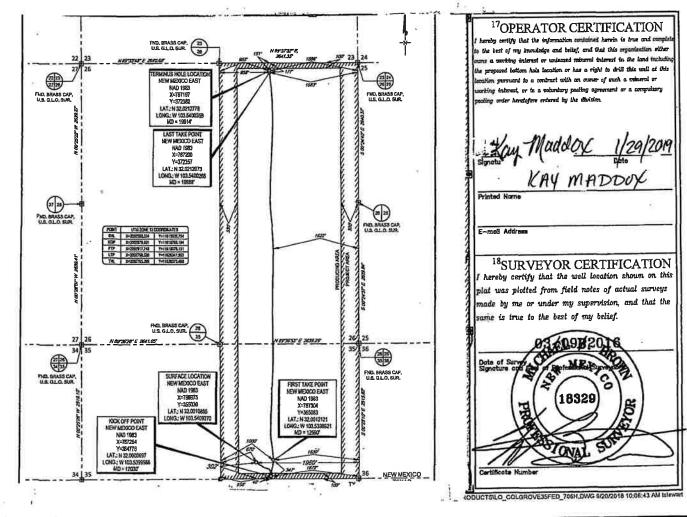




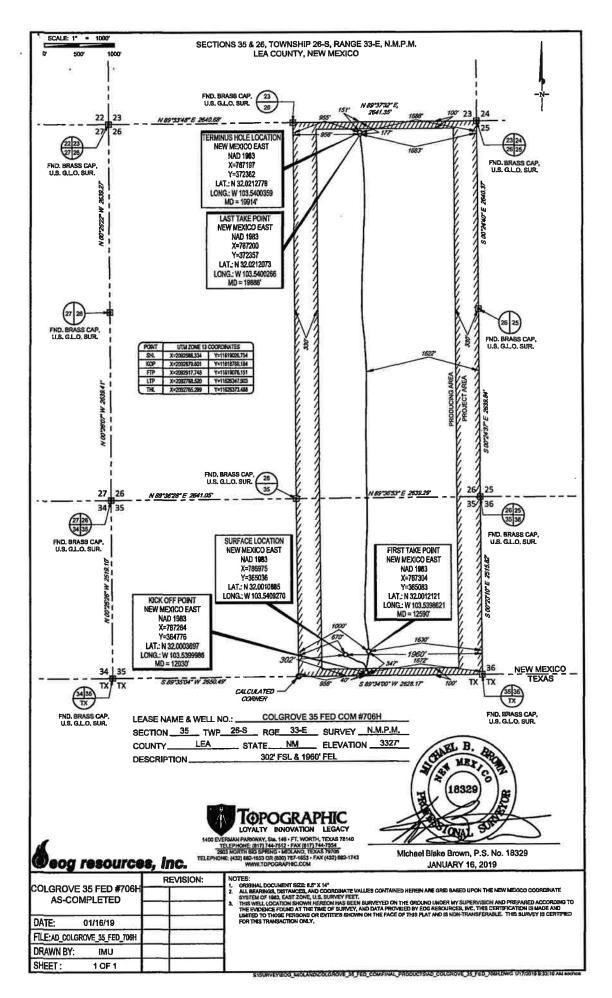


Page 31 of 55

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. S. Francis Dr., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resolvers OCD Department OIL CONSERVATION DIVISION 31 2019 1220 South St. Francis Dr. Sante Fe, NM 87505 RECEIVED FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

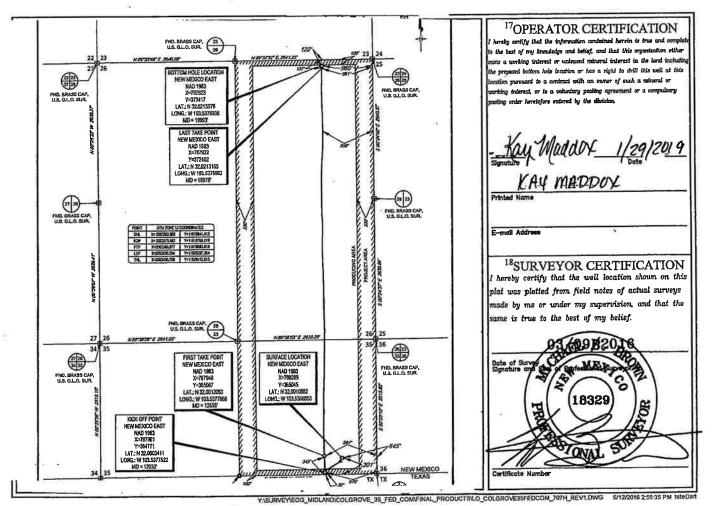
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

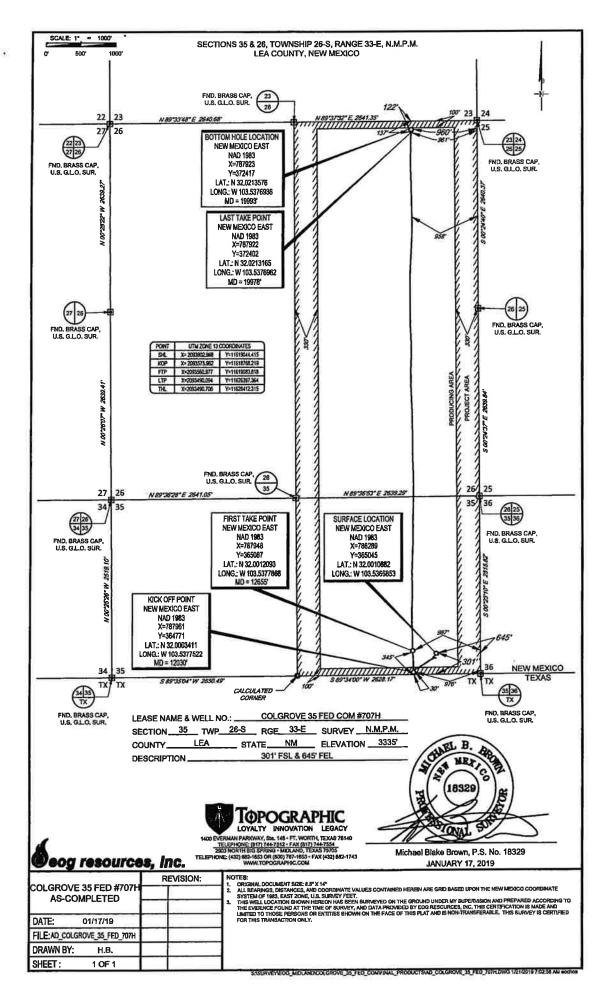
	4.5- 43		98097	² Pool Code 7	0	SANDERS TANK; Upper Wolfcamp				
Property C 31573	lode			COL	³ Property Nat GROVE 35				H Namber 707H	
⁷ ogrid M 7377	io.	⁶ Operator Name EOG RESOURCES, INC.							'Elevation 3335'	
					¹⁰ Surface Loc	ation		•		
UL or lot no.	Section 35	Township 26-S	Range 33-E	Lot Idn —	Feet from the 301'	North/South line SOUTH	Feet from the 645'	East/West line EAST	County LEA	
						No. 45/2-with Direct	Fast from the	Fort/Wart line	County	

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	LEA
A	26	26–S	33-E	—	122'	NORTH	940'	EAST	
¹² Dedicated Acres 236.22	¹³ Joint or I	nfill ¹⁴ Co	ensolidation Code	e ¹⁵ Order	No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



्³⁹



 District I

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 Phone: (505) 334-6178

 Phone: (505) 334-6178

 1220 S. K. Francis Dr., Sante Fe, NM 87505

 Phone: (505) 476-3460

 Pance: (505) 476-3460

236.22

State of New Mexico Energy, Minerals & Natural Reduces Department OIL CONSERVATION DIVISION 31 2019 1220 South St. Francis Dr. Sante Fe, NM 87505

Revised August 1, 2011 Submit one copy to appropriate District Office

FORM C-102

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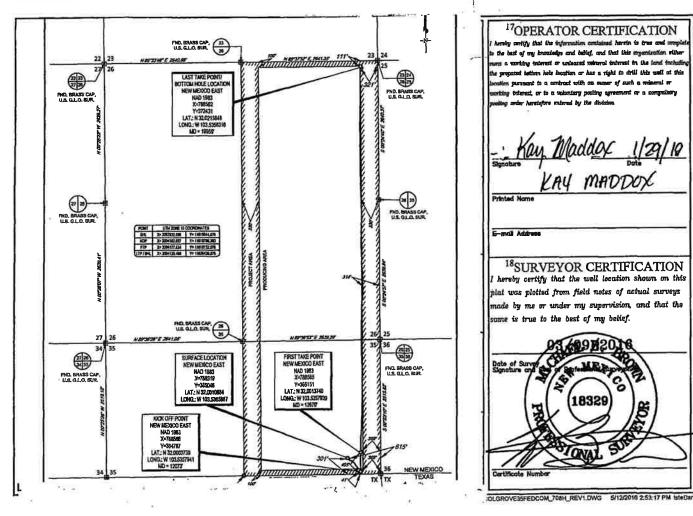
AMENDED REPORT

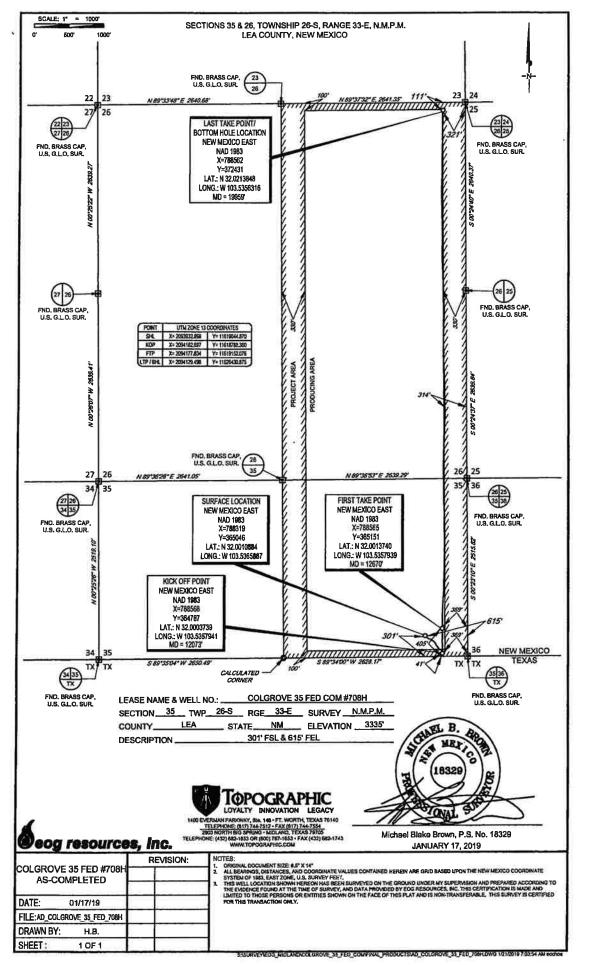
WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Numbe	r		² Pool Code			Pool Name				
30-025	5- 434	573	98097		Wc-0	25 G-09 S263	G-09 S263327G; Upper Wolfcamp				
⁴ Property C 315730	ode			COLO	⁵ Property Nat ROVE 35				Number 708H		
⁷ Ogrid n 7377			9	EOG	Operator National RESOURC				334'		
	1				¹⁰ Surface Loc	ation					
UL or lot no. 1	Section 35	Township 26-S	Range 33-E	Lot Idn —	Feet from the 301'	North/Sonth line SOUTH	Feet from the 615'	East/West line EAST	County LEA		
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the 321	East/West line EAST	County LEA		

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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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 A 945.20-ACRE NON-STANDARD SPACING UNIT IN THE WOLFCAMP FORMATION COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 22261

AFFIDAVIT OF MEGAN COOK

Megan Cook, of lawful age and being first duly sworn, declares as follows:

1. My name is Megan Cook and am employed by EOG Resources, Inc. ("EOG") as a Senior Geologist.

2. I have not previously testified before the New Mexico Oil Conservation Division.

My resume, which outlines my educational and relevant work experience qualifying me to testify as an expert witness in petroleum geology, is attached as **Exhibit C-1**.

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 has developed the Wolfcamp formation in this acreage with its "Colgrove" wells, which would be dedicated to the proposed non-standard horizontal well spacing unit.

5. **EOG Exhibit C-2** is a subsea structure map that I prepared on the top of the upper Wolfcamp formation underlying the subject area with a contour interval of 20 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, pinchouts, or other geologic impediments to development of this acreage with horizontal wells.

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

6. EOG Exhibits C-2 also shows the location of the wells utilized to construct a crosssection of the Wolfcamp formation from A to A'. I choose these wells because I consider them to be representative of the geology underlying the subject area.

7. EOG Exhibit C-3 is a 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. 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.

8. In my opinion, the proposed non-standard horizontal spacing unit will afford EOG the flexibility to match the well spacing to the targeted reservoir rather than individual standard spacing units and will allow for more efficient and effective development since the internal setbacks required by standard spacing units will be eliminated. The proposed non-standard unit also will result in significant efficiencies by allowing EOG to consolidate surface facilities.

9. 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.

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

FURTHER AFFIANT SAYETH NOT.

MEGAN COOK

STATE OF TEXAS

COUNTY OF MIDLAND

SUBSCRIBED and SWORN to before me this <u>DZ9th</u> day of <u>hove</u> 2021 by

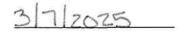
))))

Megan Cook.

DEBBIE A. EVANS Notary Public, State of Texas Comm. Expires 03-07-2025 Notary ID 126341298

NOTARY PUBLIC

My Commission Expires:



Megan Cook

5509 Champions Dr.	
Midland, TX 79706	

Cell: 432-582-5682 Megan Cook@eogresources.com

SUMMARY:

Geologist with 10+ years of experience in hydrocarbon exploration and development in both conventional and unconventional plays. Strong understanding of sedimentary processes and their application to play fairway mapping, prospect generation, and reservoir characterization via the integration of well logs, core, and seismic data. Excellent communication and presentation skills.

EDUCATION:

Master of Science in Geology, December 2013

University of Houston (Houston, Texas) Advisor: Henry Chafetz Thesis: Lateral and Temporal Facies Variations in a Quaternary Travertine Deposit in Belen, NM GPA: 3.95/4.0

Bachelor of Science in Geology, December 2010

University of Houston (Houston, Texas) **GPA:** 3.46/4.0

EXPERIENCE:

Senior Geologist, January 2019 – Current (2 years and 11 months) EOG Resources (Midland, Texas)

Delaware Basin: Development Optimization

- Project geologist for Southern Lea County acreage position responsible for development optimization, strategy, and execution
- Work closely with a multi-disciplinary team to quickly and consistently integrate findings from new data to optimize our future development plans
- Evaluate OBO proposals and make recommendations in alignment with division goals and budget constraints
- Mentor early career geoscientist and engineers

Geologist, August 2018 - January 2019 (5 months)

Noble Energy (Houston, Texas)

International New Ventures: Lead Geologist for Various International Exploration Projects

- Led evaluation of exploration opportunities ranging from regional scoping through prospect assessment
- Provided geological direction in multi-disciplinary risk and economic evaluations for bid rounds, farm-ins, and direct negotiations

Geologist, February 2018 – August 2018 (6 months)

Noble Energy (Houston, Texas)

Exploration Strategy Analyst: Geological Risk Assessment, Upstream Market Analysis, and Portfolio Strategy

- · Opportunity arising from being selected for Noble Energy's internal Leadership Program
- Determined risk and resource for all conventional and unconventional exploration projects in the company and ensured portfolio consistency
- Launched a Geological Risk Assessment Seminar Series to build technical excellence and process transparency
- Integrated lookbacks and post mortems to validate our risk assessment techniques and compare against competitors; findings effectively communicated to Exploration/Geoscience community

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C1 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

- Implemented targeted upstream market analysis updates, along with monthly and quarterly summaries for conventional and unconventional exploration
- Facilitated portfolio strategy discussions utilizing multiple economic metrics for comparison
- Developed optimization scenarios to test portfolio sensitivities to project timing, geological risk, resource size, etc.

Geologist, April 2015 - February 2018 (2 years, 10 months)

Noble Energy (Houston, Texas)

West Africa Development: Lead Geologist on Alen Field, Offshore Equatorial Guinea

- Lead geologist on a producing gas-condensate field working with a multidisciplinary team to maximize condensate recovery
- QCed and interpreted newly acquired seismic data, seismic inversion volumes, and seismic attributes to understand reservoir geometry and heterogeneities using Petrel
- Integrated core description, well log facies, and seismic interpretation to define the depositional environment and identify turbidite channel stacking patterns
- Worked closely with static and dynamic modelers to incorporate updated depositional interpretation into the reservoir model resulting in a geologically sound history match
- Characterized near-field tie-back opportunities and worked with REs to determine economic feasibility given current business unit strategy and facilities constraints
- Presented technical work and recommendations to internal management, partners, and government officials

Geologist, June 2014 - April 2015 (10 months)

Noble Energy (Houston, Texas)

- West Africa Exploration: Play Fairway Mapping in Offshore Equatorial Guinea and Cameroon
- Recognized tectonic controls on sand and source rock deposition based on regional seismic horizon mapping, log correlation, and integration of paleo data from drill cuttings
- Created Miocene geologic risk element maps (source presence, source maturity, seal presence, seal capability, and reservoir presence) and combined them into a play fairway map
- Participated in the evaluation of new blocks and joint venture opportunities through regional assessments, scout meetings, and datarooms

Geologist, September 2013 – June 2014 (10 months)

Noble Energy (Houston, Texas)

Marcellus Shale: Regional Stratigraphic Characterization and Prospect Generation

- · Correlated over 500 well logs and generated structure, thickness, and net pay maps using Petrel
- Implemented a detailed sequence stratigraphic framework for the Marcellus Formation
- Identified a bypassed carbonate-rich turbidite lead based on new formation correlations and the integration of petrophysics, core description, thin-section description, XRD data, and geochemical analysis
- Matured the lead to a prospect based on the identification of interbedded layers of high-porosity shell hash and high-TOC shale with a large aerial extent within our acreage.
- Made recommendations to management and partners leading to multiple wells drilled and completed within the prospect showing successful production

Geologist, March 2011 – October 2012 (1 year, 8 months)

Southwestern Energy (Houston, Texas)

Unconventional New Ventures Exploration Geology in the Maritimes Basin, New Brunswick, Canada

- Generated a full stratigraphic type-section and corresponding log responses for the Moncton Subbasin
- Described cores from the Moncton and Cocagne Subbasins, interpreted the depositional environments, and tied them back to the composite type-section
- Planned and supervised the acquisition of samples for chemostratigraphy, palynology, and geochemical analyses to aid in regional correlations

- Provided geological constraints to gravity, magnetic, and seismic interpretations of the basin
- Integrated the results of these analyses into the larger geologic model to high-grade our prospective areas
- Proposed and managed the 2012 geologic project budget for the New Brunswick exploration team

Geologist, January 2011 – March 2011 (3 months)

Southwestern Energy (Houston, Texas)

Incorporation of Geosteering Reports to Constrain Seismic Fault Attributes in the Fayetteville Shale, Arkansas

- Documented the spatial location of all encountered faults in geosteering reports and integrated the data into our IHS Kingdom project
- Mapped fault planes from both 3D seismic and Ant Track volumes that intersected each wellbore path and compared them to the geosteering results
- Identified an Ant Track orientation that was highly correlated to real fault features

Geology Intern, May 2010 – July 2010 (3 months)

Southwestern Energy (Houston, Texas)

Reservoir Characterization of a Bypassed Zone: Rodessa Formation, East Texas

- Core description, well log correlation, and basic petrophysical analysis to identify reservoir quality and hydrocarbon presence
- Created structural and stratigraphic cross-sections to understand the lateral variation of reservoir facies
- Generated structure and isochore maps in PETRA to calculate the in-place volume of hydrocarbons
- · Analysis of production data in other Rodessa fields from IHS and Texas Railroad Commission
- Presented the prospect to management and recommended the recompletion of existing shut-in wells
- · Recompletions started after my internship ended but they resulted in commercial oil production

Geology Intern, May 2009 - August 2009 (4 months)

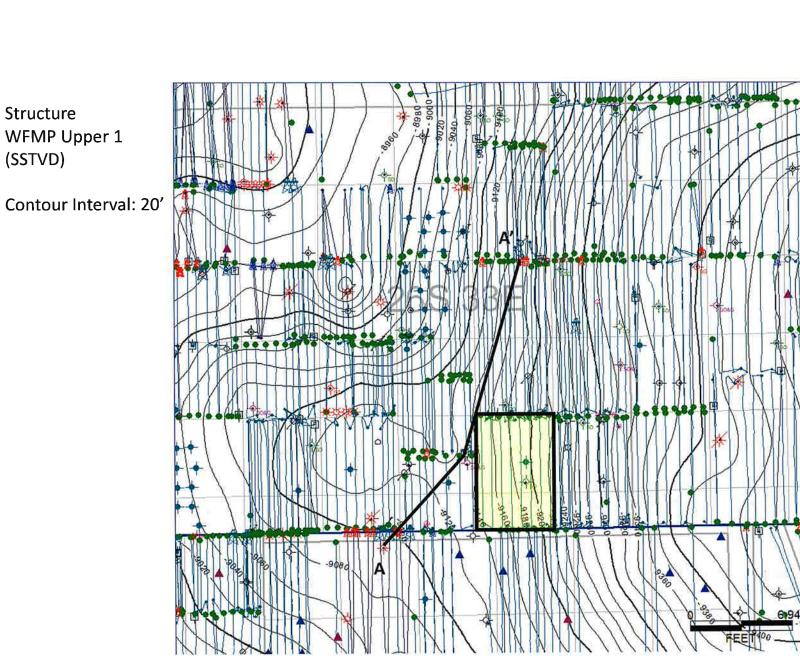
Southwestern Energy (Houston, Texas)

Regional Geologic Examination of the Morrowan Shale with Emphasis on Timing of Fault Activation, Eastern Arkoma Basin

- Studied the type logs and picked tops in 720 wells
- · Generated isochore maps of multiple intervals using PETRA
- · Created numerous well log cross-sections to identify growth along faults
- · Examined seismic cross-sections and dip-meter logs to validate isochore observations
- Identified which faults were active during Morrowan deposition leading to increased accuracy in the landing of Fayetteville wells

PUBLICATIONS:

- Chafetz, H., Barth, J., Cook, M., Guo, X., and Zhou, J., 2018, Origins of carbonate spherulites: Implications for Brazilian Aptian pre-salt reservoir: Sedimentary Geology, v. 365, p. 21-33.
- Cook, M., and Chafetz, H., 2017, Sloping fan travertine, Belen, New Mexico, USA: Sedimentary Geology, v. 352, p. 30-44.
- Priewisch, A., Crossey, L., Karlstrom, K., Chafetz, H., and Cook, M., 2016, Geochronology and geochemical analysis of Quaternary travertine deposits at the Belen Quarries of Mesa Aparejo, NM: Evaluation of travertine facies for paleohydrology and paleoenvironment studies: New Mexico Geological Society Guidebook, 67th Field Conference, p. 405-418.
- Cook, M., and Chafetz, H., 2014, Transitional terraces mound to sloping mound facies relationships of a Quaternary travertine quarry in Belen, New Mexico: AAPG Annual Convention and Exhibition, Houston, Texas, USA, April 6-9, 2014.

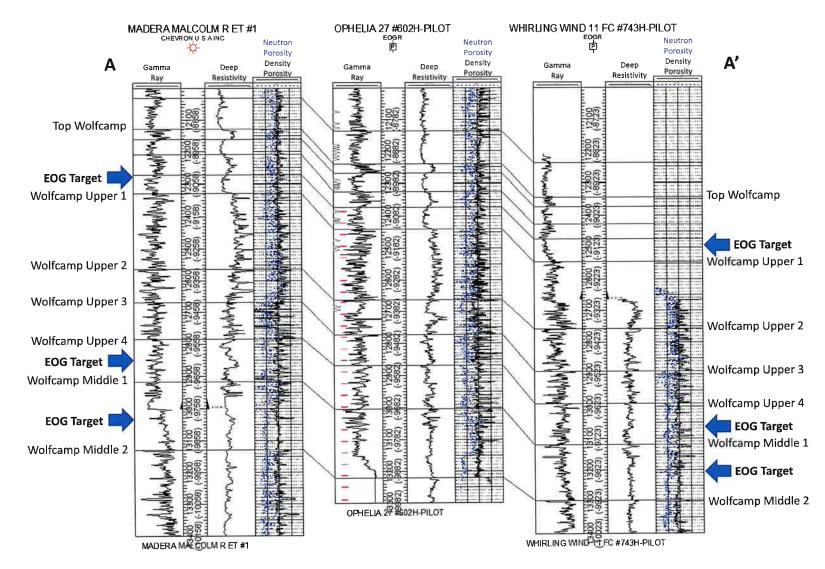


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BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C2 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

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BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Santa Fe, New Mexico Exhibit No. C3 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

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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 A 945.20-ACRE NON-STANDARD SPACING UNIT IN THE WOLFCAMP FORMATION COMPRISED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT, LEA COUNTY, NEW MEXICO.

CASE NO. 22261

AFFIDAVIT OF SHAUN GUTHRIE

Shaun Guthrie, of lawful age and being first duly sworn, declares as follows:

1. My name is Shaun Guthrie and I am employed by EOG Resources, Inc. ("EOG") as a Facilities Engineer Specialist.

2. I have not previously testified before the New Mexico Oil Conservation Division. My resume, which outlines my educational and relevant work experience qualifying me to testify as an expert witness as a facilities engineer, is attached as **Exhibit D-1**.

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 is developing the Wolfcamp formation underlying the subject acreage with its "Colgrove" wells.

4. EOG Exhibit D-2 identifies the additional tank battery and related surface production facilities in blue, including an additional segment of new gas, water, and oil pipeline in green, that will be required if the subject acreage is developed using standard horizontal well spacing units.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261 5. In contrast, **EOG Exhibit D-3** shows that a single tank battery and reduced pipeline length can be utilized for the production if the proposed non-standard spacing units in the Wolfcamp formation are approved by the Division to allow the commingling of production.

6. EOG Exhibit D-4 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 by approximately 6 acres if developed as a non-standard spacing unit. The total cost savings by not having to construct a separate central tank battery and additional water, gas, and oil lines is approximately \$3.2 million.

7. If this non-standard spacing unit is approved to allow commingling, there will be a \$3.2 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, a decrease in the surface facilities for this development project will reduce by approximately 50% the air emissions from the tanks and related surface facilities needed to produce the hydrocarbons.

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.

10. EOG Exhibits D-1 through D-4 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

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Suth

SHAUN GUTHRIE

STATE OF TEXAS COUNTY OF MIDLAND SUBSCRIBED and SWORN to before me this 29th day of June 2021, by Shaun Guthrie. ERIN LLOYD My Notary ID # 131680260 Expires August 13, 2022 NOTARY PUBLIC

My Commission Expires:

8-13-2022

Shaun Guthrie

Education

Texas A&M University – College Station, TX

Degree: Bachelor of Science in Petroleum Engineering Minor: Geology GPA: 3.1/4.0

Career

EOG Resources, Inc.

Engineer in Training

Facility Engineer

2011-2013

2013-Present

- Lead on developing a procedure for commingling production from multiple diverse units
 - o The work included allocation planning, measurement planning, operational practices
 - This work forged the way for other EOG Divisions to practice diverse interest commingling
- Designed and completed a facility in Louisiana
- Called in to design and execute the first large scale gas lift station build for Midland Division
- Worked in Artesia Division for a few months to help with a new multi-well facility design
- Heavily in involved with Midland Division facilities team for the past 3 years

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New CTB New Gas, Water, Oil Pipeline

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D2 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

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New CTB

Oil Pipeline

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D3 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

Financial & Environmental Impact

Scenario	Design Basis Per CTB (BOPD)	CTB Cost (\$M)	Pipeline Cost (\$M)	Total Capital (\$M)	Disturbance (Acres)
Standard Spacing Unit	30,000	2,200	1,000	3,200	6
Non-Standard Spacing Unit	30,000	200	0	200	0
Savings		2,000	1,000	3,000	6

* 50% reduction in criteria pollutant emissions and GHG emissions

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D4 Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261

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

APPLICATION OF EOG RESOURCES, INC. FOR A APPROVAL OF A 945.20-ACRE NON-STANDARD SPACING UNIT IN THE WOLFCAMP FORMATION COMPRSED OF ACREAGE SUBJECT TO A PROPOSED COMMUNITIZATION AGREEMENT LEA COUNTY, NEW MEXICO.

CASE NO. 22261

AFFIDAVIT

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

Adam G. Rankin, 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.

Adam G. Rankin

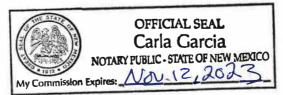
SUBSCRIBED AND SWORN to before me this 30th day of November, 2021 by Adam G.

Rankin.

Notary Public

My Commission Expires:

2023 N.12.



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261



Adam G. Rankin Phone (505) 988-4421 agrankin@hollandhart.com

October 15, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

ATTN: AFFECTED PARTIES

Re: Application of EOG Resources, Inc. for Approval of 945.20-Acre Non-Standard Spacing Unit in the Wolfcamp Formation Comprised of Acreage Subject to a Proposed Communitization Agreement, Lea County, New Mexico. Colgrove 35 Federal Com #701H-#708H Wells

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 November 4, 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 Reece Cook at (432) 848-9216, or Reece Cook@eogresources.com.

Sincerely,

Adam G. Rankin 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
Calorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyom ng

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EOG - Colgrove 701H, 708H Case No. 22261 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 3:32 pm on
9414811898765850505273	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	October 18, 2021 in CARLSBAD, NM 88220.
						Your item was delivered at 12:46 pm on
9414811898765850505815	State Land Office Commissioner of Public Lands	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	October 18, 2021 in SANTA FE, NM 87501.

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).

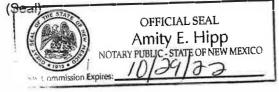
> Beginning with the issue dated October 24, 2021 and ending with the issue dated October 24, 2021.

Publisher

Sworn and subscribed to before me this 24th day of October 2021.

Circulation Clerk

My commission expires October 29, 2022



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	WALL AND	
LEGAL		

LEGAL NOTICE October 24, 2021

LEGAL

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

LEGAL

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, November 4, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emmd.nm.gov/ocd/hearing-Info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emmd.state.nm.us/maging/CaseFileCriterla.aspx. if you are an Individual with a disability who needs a reader, amplifier, qualified sign language Interpreter, or other form of auxiliary ald 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 October 24, 2021.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12bd776b32e14e df7deee3425ea99347 Event number: 2497 665 1056

Event password: JYvf8wjp55w

Join by video: 24976651056@nmemnrd.webex.com Numeric Password: 256526 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: 2497 665 1056

> 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: Bureau of Land Management; and State Land Office, Commissioner of Public Lands.

Case No. 22261: Application of EOG Resources, Inc. for Approval of 945.20-Acre Non-Standard Spacing Unit In the Wolfcamp Formation Comprised of Acreage Subject to a Proposed Communitization Agreement, Lea County, New Mexico. Applicant in the above-styled cause seeks an order approving 945.20-acre, more or less, non-standard spacing unit in the Wolfcamp formation [Sanders Tank; Upper Wolfcamp (Pool Code 98097)], underlying all of Sections 26 and 35, including Lots 1, 2, 3 and 4, in Township 26 South, Range 33 East, NMPM, Lea County, New Mexico. The acreage comprising the proposed non-standard spacing unit will be dedicated to the existing or planned Colgrove Federal Com #701H-#708H Wells. The subject area is located approximately 22 miles west, southwest of Jal, New Mexico. #36959

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208 00259797

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Submitted by: EOG Resources, Inc. Hearing Date: December 2, 20221 Case No. 22261