BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING – APRIL 7, 2022

CASE No. 22537

Honey Buzzard 35 South State Com #301H Honey Buzzard 35 South State Com #302H Honey Buzzard 35 South State Com #401H Honey Buzzard 35 South State Com #402H Honey Buzzard 35 South State Com #601H Honey Buzzard 35 South State Com #602H Honey Buzzard 35 South State Com #701H Honey Buzzard 35 South State Com #701H Honey Buzzard 35 South State Com #702H Honey Buzzard 35 South State Com #703H Honey Buzzard 35 South State Com #704H

LEA COUNTY, NEW MEXICO



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

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22537

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| COMPULSORY POOLING APPLICATION C | HECKLIST | | | | |
|--|---|--|--|--|--|
| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORT | ED BY SIGNED AFFIDAVITS | | | | |
| Case: 22537 | APPLICANT'S RESPONSE | | | | |
| Date: April 7, 2022 | | | | | |
| Applicant | EOG Resources, Inc. | | | | |
| Designated Operator & OGRID (affiliation if applicable) | EOG Resources, Inc. (OGRID No. 7377) | | | | |
| Applicant's Counsel: | James Parrot, Beatty & Wozniak, P.C. | | | | |
| Case Title: | Application of EOG Resources, Inc. for Compulsory Pooling, Lea County, New Mexico | | | | |
| Entries of Appearance/Intervenors: | none | | | | |
| Well Family | Honey Buzzard | | | | |
| Formation/Pool | | | | | |
| Formation Name(s) or Vertical Extent: | Bone Spring, Wolfcamp | | | | |
| Primary Product (Oil or Gas): | Oil | | | | |
| Pooling this vertical extent: | Entire Formation | | | | |
| Pool Name and Pool Code: | Red Hills, Bone Spring, East (97369) WC-025 G-09 S253402N, Wolfcamp (98116) | | | | |
| Well Location Setback Rules: | Statewide Rules | | | | |
| Spacing Unit Size: | 479.56 acres | | | | |
| Spacing Unit | | | | | |
| Type (Horizontal/Vertical) | Horizontal | | | | |
| Size (Acres) | 479.56 acres | | | | |
| Building Blocks: | Quarter-Quarter sections | | | | |
| Orientation: | North-South | | | | |
| Description: TRS/County | SW¼ of Sec 35, T-24-S, R-34-E; W½ of Sec 2, T-25-S, R-34-E, Lea County | | | | |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Υ | | | | |
| Other Situations | | | | | |
| Depth Severance: Y/N. If yes, description | N | | | | |
| Proximity Tracts: If yes, description | Y; NESW, SESW of Sec 35 (K, N); NENW, SENW, NESW, SESW of Sec 2 (C, F, K, N); defining well (BS) is located on quarter-quarter line | | | | |
| Proximity Defining Well: if yes, description | Honey Buzzard 35 South State Com 302H (BS), 702H (W) | | | | |
| Applicant's Ownership in Each Tract | Exhibit C-3 | | | | |
| Well(s) | | | | | |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | | | | | |

| | Honey Buzzard 35 South State Com #301H |
|-----------|--|
| | (30-025-49749) |
| | SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #1 | BHL: SW¼SW¼ (Unit M) Sec 2 |
| Well II I | Completion Target: Bone Spring Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #302H |
| | (30-025-49750) |
| | SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #2 | BHL: SW¼SW¼ (Unit M) Sec 2 |
| | Completion Target: Bone Spring Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #401H |
| | (API No. Pending) |
| | SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #3 | BHL: SW¼SW¼ (Unit M) Sec 2 |
| | Completion Target: Bone Spring Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #601H |
| | - |
| | (API No. Pending) |
| | (API No. Pending) SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #4 | , |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H |
| Well #4 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) |
| | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE½SW¼ (Unit K) Sec 35 |
| | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 |
| | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation |
| | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #402H |
| | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #402H (API No. Pending) |
| Well #5 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #402H (API No. Pending) SHL: NE¼SW¼ (Unit K) Sec 35 |
| | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #402H (API No. Pending) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit K) Sec 2 |
| Well #5 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #402H (API No. Pending) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation |
| Well #5 | SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SW¼SW¼ (Unit M) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #303H (30-025-49751) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit N) Sec 2 Completion Target: Bone Spring Formation Well Orientation: North to South Completion Status: Standard Honey Buzzard 35 South State Com #402H (API No. Pending) SHL: NE¼SW¼ (Unit K) Sec 35 BHL: SE¼SW¼ (Unit K) Sec 2 |

| | Honor Burnard 25 Courth State Com #602H |
|--|--|
| | Honey Buzzard 35 South State Com #602H (API No. Pending) |
| | SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #7 | BHL: SE¼SW¼ (Unit N) Sec 2 |
| Weil #7 | Completion Target: Bone Spring Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #701H |
| | (30-025-49595) |
| | SHL: NW¼SW¼ (Unit L) Sec 35 |
| Well #8 | BHL: SW¼SW¼ (Unit M) Sec 2 |
| | Completion Target: Wolfcamp Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #702H |
| | (30-025-49596) |
| | SHL: NW¼SW¼ (Unit L) Sec 35 |
| Well #9 | BHL: SW¼SW¼ (Unit M) Sec 2 |
| | Completion Target: Wolfcamp Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #703H |
| | (30-025-49597) |
| | SHL: NW¼SW¼ (Unit L) Sec 35 |
| Well #10 | BHL: SE¼SW¼ (Unit N) Sec 2 |
| | Completion Target: Wolfcamp Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| | Honey Buzzard 35 South State Com #704H |
| | (30-025-49598) |
| | SHL: NE¼SW¼ (Unit K) Sec 35 |
| Well #11 | BHL: SE¼SW¼ (Unit N) Sec 2 |
| | Completion Target: Wolfcamp Formation |
| | Well Orientation: North to South |
| | Completion Status: Standard |
| Horizontal Well First and Last Take Points | Exhibit C-2 |
| Completion Target (Formation, TVD and MD) | Exhibit C-4 |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$8,000 |
| Production Supervision/Month \$ | \$800 |
| Justification for Supervision Costs | Exhibit C, C-4 |
| Requested Risk Charge | Exhibit C, 200% |
| Notice of Hearing | |

| Proposed Notice of Hearing | Exhibit B |
|--|---|
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit E |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit F |
| Ownership Determination | ZATIONE I |
| Land Ownership Schematic of the Spacing Unit | Exhibit C-3 |
| Tract List (including lease numbers and owners) | Exhibit C-3 |
| Pooled Parties (including ownership type) | Exhibit C-3 |
| Unlocatable Parties to be Pooled | None |
| Ownership Depth Severance (including percentage above & below) | None |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit C-4 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit C-3 |
| Chronology of Contact with Non-Joined Working Interests | Exhibit C-5 |
| Overhead Rates In Proposal Letter | Exhibit C-4 |
| Cost Estimate to Drill and Complete | Exhibit C-4 |
| Cost Estimate to Equip Well | Exhibit C-4 |
| Cost Estimate for Production Facilities | Exhibit C-4 |
| Geology | |
| Summary (including special considerations) | Exhibit D, D-2, D-3 |
| Spacing Unit Schematic | Exhibit D, D-2, D-3 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit D-2 through D-5 |
| Well Orientation (with rationale) | Exhibit D-2 through D-5 |
| Target Formation | Exhibit D-4, D-5 |
| HSU Cross Section | Exhibit D-4, D-5 |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | Exhibit C-2 |
| Tracts | Exhibit C-3 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit C-3 |
| General Location Map (including basin) | Exhibit D-1 |
| Well Bore Location Map | Exhibit D-2, D-3 |
| Structure Contour Map - Subsea Depth | Exhibit D-2, D-3 |
| Cross Section Location Map (including wells) | Exhibit D-4, D-5 |
| Cross Section (including Landing Zone) | Exhibit D-4, D-5 |
| Additional Information | |
| Special Provisions/Stipulations | |
| CERTIFICATION: I hereby certify that the information provide | d in this checklist is complete and accurate. |
| Printed Name (Attorney or Party Representative): | James Parrot |
| Signed Name (Attorney or Party Representative): | |
| Date: | 3/31/2022 |
| | |

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

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22537

APPLICATION

EOG Resources, Inc. ("EOG") (OGRID No. 7377) through its undersigned attorneys, hereby files this Application with the Oil Conservation Division of the State of New Mexico ("Division") pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all uncommitted mineral interests in the Bone Spring and Wolfcamp formations underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the SW¼ of Section 35, Township 24 South, Range 34 East, N.M.P.M. and the W½ of Section 2, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico (the "Unit"). In support of its Application, EOG states the following:

- 1. EOG is a working interest owner in the Unit and has a right to drill wells thereon.
- 2. EOG seeks to dedicate the above-referenced Unit to the following proposed wells:
 - Honey Buzzard 35 South State Com #301H, Honey Buzzard 35 South State Com #401H, and Honey Buzzard 35 South State Com #601H, which will be horizontally drilled to the Bone Spring Formation from a surface location in the NE½SW¼ of Section 35 to a bottom hole location in the SW¼SW¼ of Section 2;

- Honey Buzzard 35 South State Com #302H, which will be horizontally drilled to the Bone Spring Formation from a surface location in the NE½SW¼ of Section 35 to a bottom hole location in the S½ of Section 2;
- Honey Buzzard 35 South State Com #303H, Honey Buzzard 35 South State Com #402H, and Honey Buzzard 35 South State Com #602H, which will be horizontally drilled to the Bone Spring Formation from a surface location in the NE½SW¼ of Section 35 to a bottom hole location in the SE½SW¼ of Section 2;
- Honey Buzzard 35 South State Com #701H and Honey Buzzard 35 South State Com #702H, which will be horizontally drilled to the Wolfcamp Formation from a surface location in the NW1/4SW1/4 of Section 35 to a bottom hole location in the SW1/4SW1/4 of Section 2;
- Honey Buzzard 35 South State Com #703H, which will be horizontally drilled to the Wolfcamp Formation from a surface location in the NW1/4SW1/4 of Section 35 to a bottom hole location in the SE1/4SW1/4 of Section 2; and
- Honey Buzzard 35 South State Com #704H, which will be horizontally drilled to the Wolfcamp Formation from a surface location in the NE½SW¼ of Section 35 to a bottom hole location in the SE½SW¼ of Section 2 (collectively, the "Wells").
- 3. The completed intervals for the Wells will comply with statewide setbacks for oil wells.

- 4. EOG has sought in good faith, but has been unable to obtain, voluntary agreement from all mineral interest owners to participate in the drilling of the Wells or in the commitment of their interests to the Wells for its development within the Unit.
- 5. The pooling of all interests within the Unit will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.
- 6. In order to provide for its just and fair share of the oil and gas underlying the subject lands, EOG requests that all uncommitted interests in this Unit be pooled and that EOG be designated the operator of the Wells and Unit.

WHEREFORE, EOG requests that this Application be set for hearing on February 4, 2022, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted mineral interests in the Unit;
- B. Approving the Wells in the Unit;
- C. Designating EOG as operator of this Unit and Wells to be drilled thereon;
- D. Authorizing EOG to recover its costs of drilling, equipping, and completing the Wells;
- E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Setting a 200% charge for the risk assumed by EOG in drilling and completing the Wells in the event a working interest owner elects not to participate in the well.

Respectfully submitted

BEATTY & WOZNIAK, P.C.

aludah Kitterhouse

Jobediah Rittenhouse 1675 Broadway, Suite 600 Denver, CO 80202 (303) 407-4457 jrittenhouse@bwenergylaw.com

Counsel for EOG Resources, Inc.

Application of EOG Resources, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring and Wolfcamp formations, each designated as an oil pool, underlying said unit. The proposed wells to be dedicated to the horizontal spacing unit are the Honey Buzzard 35 South State Com # 301H, #302H, #303H, #401H, #402H, #601H, #602H, #701H, #702H, #703H, and #704H, all oil wells, to be horizontally drilled from surface locations in the S½ of Section 35, Township 24 South, Range 34 East, N.M.P.M. to bottom hole locations in the S½ of Section 2, Township 25 South, Range 34 East, N.M.P.M. The wells are orthodox in location and the take points and laterals comply with Statewide Rules for setbacks; also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 15 miles northwest of Jal, New Mexico.

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

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22537

AFFIDAVIT OF LACI STRETCHER

Laci Stretcher, being first duly sworn upon oath, deposes and states as follows:

- 1. My name is Laci Stretcher, and I am employed by EOG Resources, Inc. ("EOG") as a Senior Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division ("Division) as an expert witness in petroleum land matters. My credentials in petroleum land matters have been accepted by the Division and made a matter of record.
- 3. I am submitting this affidavit in support of EOG's application in the above-referenced case pursuant to 19.15.4.12.(A)(1) NMAC.
- 4. 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.
- 5. None of the uncommitted parties in this case has indicated opposition to the presentation of this pooling application by affidavit to the Division, and therefore I do not expect any opposition at the hearing.
- 6. In this case, EOG seeks an order pooling uncommitted interest owners in two spacing units, as follows:
- a. The proposed Bone Spring spacing unit is a 479.56-acre, more or less, horizontal spacing unit in the Bone Spring formation comprised of the SW¼ of Section 35, Township 24

South, Range 34 East, N.M.P.M. and the W½ of Section 2, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The spacing unit includes proximity tracts, and the defining well for proximity purposes will be the Honey Buzzard 35 South State Com 302H.

- b. The Bone Spring spacing unit will be initially dedicated to the following proposed wells:
 - The Honey Buzzard 35 South State Com #301H (API No. Pending), the Honey Buzzard 35 South State Com #302H (API No. Pending), the Honey Buzzard 35 South State Com #401H (API No. Pending), and the Honey Buzzard 35 South State Com #601H (API No. Pending), which will be horizontally drilled to the Bone Spring Formation from a surface location in the NE½SW¼ of Section 35 to a bottom hole location in the SW¼SW¼ of Section 2;
 - The Honey Buzzard 35 South State Com #303H (API No. Pending), the Honey Buzzard 35 South State Com #402H (API No. Pending), and the Honey Buzzard 35 South State Com #602H (API No. Pending), which will be horizontally drilled to the Bone Spring Formation from a surface location in the NE½SW¼ of Section 35 to a bottom hole location in the SE½SW¼ of Section 2;
- c. The proposed Wolfcamp spacing unit is a 479.56-acre, more or less, horizontal spacing unit comprised of the SW¼ of Section 35, Township 24 South, Range 34 East, N.M.P.M. and the W½ of Section 2, Township 25 South, Range 34 East, N.M.P.M., Lea County. The spacing unit includes proximity tracts, and the defining well for proximity purposes will be the Honey Buzzard 35 South State Com 702H.
- d. The Wolfcamp spacing unit will be initially dedicated to the following proposed wells:

- The Honey Buzzard 35 South State Com #701H (API No. Pending) and the Honey Buzzard 35 South State Com #702H (API No. Pending), which will be horizontally drilled to the Wolfcamp Formation from a surface location in the NW1/4SW1/4 of Section 35 to a bottom hole location in the SW1/4SW1/4 of Section 2;
- The **Honey Buzzard 35 South State Com #703H** (API No. Pending), which will be horizontally drilled to the Wolfcamp Formation from a surface location in the NW¹/₄SW¹/₄ of Section 35 to a bottom hole location in the SE¹/₄SW¹/₄ of Section 2; and
- The **Honey Buzzard 35 South State Com #704H** (API No. Pending), which will be horizontally drilled to the Wolfcamp Formation from a surface location in the NE¹/₄SW¹/₄ of Section 35 to a bottom hole location in the SE¹/₄SW¹/₄ of Section 2.
- 7. **EOG Exhibit C-1** contains a general location map outlining the two spacing units being pooled in Case No. 22537 in relation to the surrounding area in Lea County. The acreage is comprised of state lands.
- 8. **EOG Exhibit C-2** contains the Form C-102s for the Wells. The Division has indicated that the Bone Spring wells will be placed in the Red Hills, Bone Spring, East [97369], and the Wolfcamp wells are in the WC-025 G-09 S253402N, Wolfcamp [98116]. The location of each of the Wells is orthodox and meets the Division's offset requirements.
- 9. A review of the Bone Spring and Wolfcamp spacing units indicated two overlapping spacing units in the Bone Spring formation, as follows:
- a. A spacing unit in the W/2W/2 of Section 35, dedicated to the Orange Raider BPV State No. 1H well (API No. 30-025-39712), in the Red Hills; Bone Spring, East Pool. EOG provided notice of the overlapping spacing unit to Oxy Y-1 Company and Sharbro Energy, LLC as the working interest owners. After twenty days, no objection was received.

Received by OCD: 4/5/2022 2:47:51 PM

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b. A spacing unit in the W/2W/2 of Section 2, dedicated to the Tumbling Dice 2 State

Com No. 1H well (API No. 30-025-41459) in the Red Hills; Upper Bone Spring Shale Pool. No

notice was provided because EOG owns 100 percent of the interest in this spacing unit and is the

operator of the well.

10. There are no depth severances either in the Bone Spring or Wolfcamp Formations

underlying the subject acreage.

11. **EOG Exhibit C-3** contains a plat outlining the two spacing units being pooled in

Case No. 22537. Ownership is identical in the Bone Spring and Wolfcamp spacing units. The

exhibit identifies the tract number, tract percentage interest, and spacing unit percentage interest

for the interest owner being pooled and their last known address. In compiling these addresses, I

conducted a diligent search of the public records in Lea County, New Mexico, where the Wells

are located, and of phone directories and did computer searches to locate the contact information

for parties entitled to notification. The sole party EOG seeks to pool was locatable, and notice was

provided and a green card returned. Accordingly, EOG did not cause notice to be published. I

provided the law firm of Beatty & Wozniak, P.C. with the name and address for the uncommitted

interest. On EOG Exhibit C-3, asterisks denote the "uncommitted" working interest owner that

remains to be pooled in this case. There are no overriding royalty interest owners that require

pooling for either spacing unit.

12. EOG sent well proposal letters for the Bone Spring and Wolfcamp wells, together

with corresponding AFEs, to the working interest owners in this case. The estimated costs of the

wells set forth in the AFEs are fair, reasonable, and comparable to the costs of other wells of similar

depths and lengths drilled in this area of New Mexico. A copy of the well proposal letters, along

with the AFE, is attached hereto as **EOG Exhibit C-4**.

- 13. EOG requests overhead and administrative rates of \$8,000/month for drilling each well and \$800/month for producing each well. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of New Mexico. EOG respectfully requests that these administrative and overhead costs be incorporated into any orders entered by the Division in these cases.
- 14. EOG requests the maximum cost, plus 200% risk charge be assessed against the nonconsenting working interest owner.
 - 15. EOG requests that it be designated operator of the units and wells.
- 16. EOG has been able to locate contact information for the party it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owner.

 EOG Exhibit C-5 contains a chronology of the contacts with the working interest owner that EOG seeks to pool. EOG has made a good faith effort to obtain voluntary joinder of the working interest owner in the proposed Wells.
- 17. The interest owner being pooled has been contacted regarding the proposed wells but has failed or refused to voluntarily commit their interests in the wells. If a mutually agreeable Joint Operating Agreement is reached between EOG and the interest owner, I will inform the Division know that EOG is no longer seeking to pool that party, and EOG requests that the voluntary agreement become operative and supersede the Division's order for said parties, except to the extent the Division deems it necessary to maintain spacing criteria for the purpose of conservation, the prevention of waste, and the protection of correlative rights.
- 18. **EOG Exhibit C-1** through **EOG Exhibit C-5** were either prepared by me or compiled under my direction and supervision.

- 19. The granting of these applications is in the best interest of conservation, the prevention of waste, and the protection of correlative rights, and will avoid the drilling of unnecessary wells.
- 20. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

[Remainder of page left intentionally blank]

Dated this 29th day of March, 202

Laci Stretche

EOG Resources, Inc.

STATE OF TEXAS

) ss.

COUNTY OF MIDLAND

The foregoing instrument was subscribed and sworn to before me this 29th day of 2022, by Laci Stretcher, Landman for EOG Resources, Inc.

Witness my hand and official seal.

My commission expires: 3 7 225

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

35 South Fed Com Honey Buzzard

| RR CO BIK-G | PSL BIK-A12 PSL BIK-A13 PSL BIK-A25 PSL BIK-A25 PSL BIK-A25 PSL BIK-A26 PSL BI | PSL BIRAZS | PSL BIK-A33 PSL BIK-A37 PSL BIK-A38 PSL BIK-A438 PSL BIK-A49 PSL | SL BIK-A50 | PSL BIK-A31 DINIVERSITY PSL LAND BIK-12 BIK-A43 BIK-A43 | PSL BIR-ADS LAND BIR-11 PPSL BIR-73 LAND BIR-11 PPSL BIR-ADS HP ESTES FROM MPBELE-IR | ESTES PSL BIK-A57 | GAMMBAABIRCO TIN BIR-46,TIN BIR-4 |
|-------------|--|--|--|---------------------------|---|--|-------------------------|--|
| 19 S 39 E | 20 S 39 E | 21.5 PSL 38.E | 22.5 38.E | 23.5 38.E | 24.5 38.E PSL | 25.5 38.E PSL | 26.5 38.E PSL | CARBOROUGH -BIK-WF PSL BIK-77 -BSL-BIK-83 -6 PS |
| 19 S 38 E 1 | 20 S 38 E | 21 S 37 E [®] 2 | 22 S 37 E 3: | 23 S 37 E 2 | 24837E 3 | 25IS 37 E 3 | 26537 E 2 | VF S |
| 19837E | 20 S 37 E | 21 S 36 E | 22 S 36 E | 23 S 36 E | 24536E | 25 S 36 E | 26.5.36.E NEW MEXI | PSL BIR-C23 BIR-C23 BIR-C23 BIR-C23 BIR-C24 BIR-WF SCARBOROUGH BIR-WF PSL BIR-74 PSL BIR-74 PSL |
| 19536E | 20 S 36 E | 21 S 35 E | 22 S 35 E | 23 S 35 E | 24 S 35 E | 25 S 35 E | 26 S 35 E | PSL BIR-C24 PSLWF BIR-C24 SCARBOROUGHBI |
| 19 S 35 E | 20 S 35 E | 3774 ff 21 S 34 E | 22 S 34 E | 23 S 34 E | 24534E | 25 S 3 4 E | 26 S 34 E | 33/12 ff SL BIK-C26 |
| 19534E | 20 S 34 E | 3# 21 S 33 E | 22 S 33 E | 23 S 33 E | 24S33E | 25 S 33 E | 26 S 33 E | TEXAS PSL BIK-7 |
| 19533E | 20'S 33 E | 21 S 32 E | 22 S 32 E | 23 S 32 E | 24 S 32 E | 25 S 32 E | 26 S 32 E | T&P RR CO BIK-54 T1 |
| 19532E | 20 S 32 E | 21 S 31 E | 22 S 31 E | 23 S 31 E | 24531E | 25 S 31 E | 26 S 31 E | T&P RR CO BIK-55 TI |
| 19 S 31 E | 20 S 31 E | 21 S 30 E | 22 S 30 E | 23 S 3 0 E | 24 S 3 0 E | 25 S 30 E | 26 S 30 E | T1 T&P RR CO BIK-56 T1 |
| 19530E | 20 S 30 E | 21 S 29 E | 22 S 29 E | Salt Lake 23 S 29 E | 24S 29 E | 25 S 29 E | 26 S 29 E | RRCO RRCO BIN-58 T1 BIN-57 T1 COBIN-57 T1 |
| 19 S 29 E | 20 S 29 E | 21 S 28 E | 22 S 28 E | 23 S 28 E | 245.28E | 25 S 28 E | 26 S 28 E | EIK-58 TI |
| 19528E | 20528E | 21 S 27 E | 22 S 27 E | 23 S 27 E | 24S 27 E | 25 S 27 E | 26 S 27 E | T&P RR CO BIK-59 T1 |
| 19527E | 20 S 27 E | 21.5.26 E | 22 S 26 E | 23 S 26 E | 24 S 26 E | 25 S 26 E | 26 S 26 E | T&P RR CO BIK-60 T1 |
| 19 S 26 E | Branchy 2005 26 E | 21 S 25 E | 22 S 25 E | 23 S 25 E | 24 S 25 E | 25 S 25 E | 26 S 25 E | XAS T&P RR CO X: , k-61 T1 |
| 19 S 25 E | 0 | 21.5.24E | 22 S 24 E | 23 S 24 E | 24 S 24 E4 II | If 25 S 24 E | River 26 S 24 E | TEXA TEPROO |

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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. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

Oil Conservation Division Hearing - April 6, 2022
Case No. 22537 - EOG Resources Inc. - Exhibit C-2
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Page 20 of 65

FORM C-102

Revised August 1, 2011

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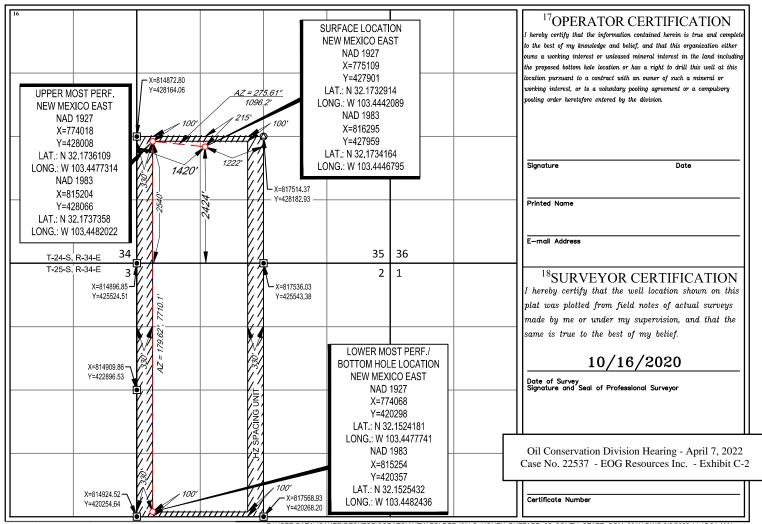
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Numbe 30-025 | | 1 | Pool Code | | ³ Pool Name | | | | | |
|----------------------------------|--------------------------------|----------------------------|-------------|----------------------------|-------------------------|---------------|----------------|--------------------------|--------|--|
| ⁴Property Code | | ⁵ Property Name | | | | | 6 | ⁶ Well Number | | |
| | | HONE | Y BUZZ | ARD 35 S | 35 SOUTH STATE COM 301H | | | | | |
| ⁷ OGRID No. | ⁷ OGRID No. | | | ⁸ Operator Name | | | | | | |
| 7377 | EOG RESOURCES, INC. | | | | 3401' | | | | | |
| | ¹⁰ Surface Location | | | | | | | | | |
| TIT lat Cartha | T | D | T - 4 T d - | F 4 C 4 l | Nouth/Couth line | East from the | East/West line | | County | |

| UL or lot no. | Section | on Township Rai | | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | | |
|-------------------------------|--|-----------------|----------------|----------------------|---------------|------------------|---------------|----------------|--------|--|--|
| K | 35 | 24-S | 34-E | - | 2424' | SOUTH | 1420' | WEST | LEA | | |
| | 11Bottom Hole Location If Different From Surface | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | | |
| M | 2 | 25-S | 34-E | - | 100' | SOUTH | 330' | WEST | LEA | | |
| ¹² Dedicated Acres | ¹³ Joint or I | nfill 14Co | nsolidation Co | de ¹⁵ Ord | er No. | • | • | • | | | |
| 479.56 | | | | | | | | | | | |
| l | | | | | | | | | | | |

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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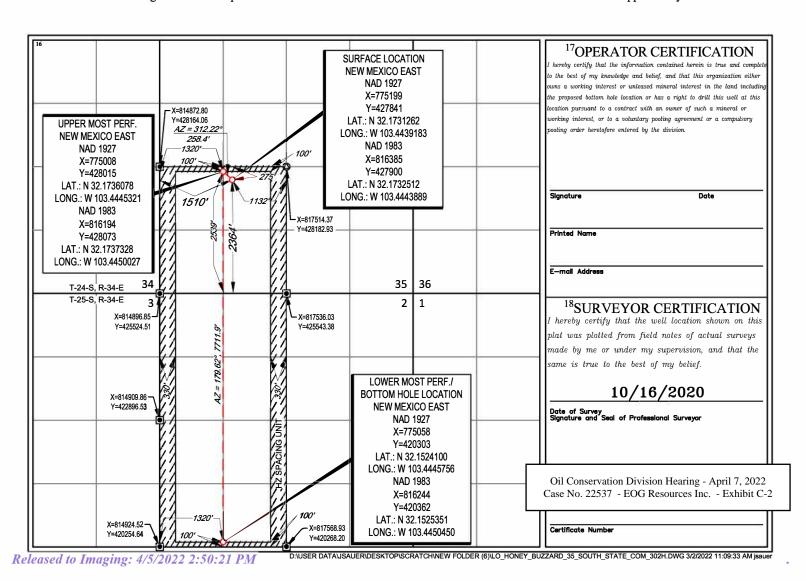
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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| AMENDED REPORT |
|----------------|
|----------------|

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | | | Î | ² Pool Code | ĺ | ³ Pool Name | | | | | | |
|--------------------------------------|--------------------------------|-------------|-----------------|------------------------|-------------------------|------------------------|---------------|----|--------------|--------------------------|--|--|
| 30 | 0-025- | - | | | | | | | | | | |
| ⁴ Property C | ode | | | | ⁵ Property N | Vame | | | 6/ | ⁶ Well Number | | |
| | | | HON | EY BUZ | ZARD 35 | SOUTH STAT | E COM | | 302H | | | |
| OGRID N | Vo. | | | | ⁸ Operator N | Name | | | | ⁹ Elevation | | |
| 7377 | 7 | | | EO | G RESOUR | CES, INC. | | | 3401' | | | |
| | ¹⁰ Surface Location | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County | | |
| K | 35 | 24-S | 34-E | : - : | 2364' | SOUTH | 1510' | WE | ST | LEA | | |
| | | | 11] | Bottom Hole | e Location If D | Different From Sui | rface | | , | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County | | |
| M | 2 | 25-S | 34-E | - | 100' | SOUTH | 1320' | WE | ST | LEA | | |
| ¹² Dedicated Acres 479.56 | ¹³ Joint or 1 | Infill 14Co | nsolidation Cod | de ¹⁵ Order | r No. | | | | | | | |



State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

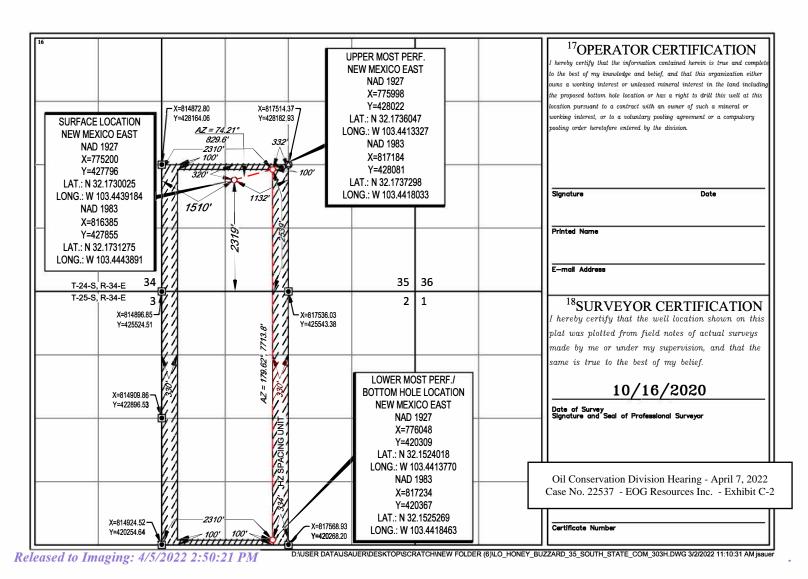
FORM C-102
Revised August 1, 2011
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| API Number | | Pool Code | | | Pool Name | | | | | | | |
|-------------------------|--|----------------------------------|----------------------------|---------------------|-------------------------|------------------|---------------|-----|--------------------------|------|--------|--|
| 30-025- | | | | | | | | | | | | |
| ⁴ Property C | ode | | | | ⁵ Property N | lame | | | ⁶ Well Number | | | |
| | | HONEY BUZZARD 35 SOUTH STATE COM | | | | | | | | 303Н | | |
| OGRID N | | | ⁸ Operator Name | | | | | | ⁹ Elevation | | | |
| 7377 | 7377 | | | EOG RESOURCES, INC. | | | | | | | 3401' | |
| - | ¹⁰ Surface Location | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | | County | |
| K | 35 | 24-S | 34-E | . . | 2319' | SOUTH | 1510' | WE: | ST | LEA | | |
| | 11Bottom Hole Location If Different From Surface | | | | | | | | | | | |

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--------------------------------------|--------------------------|------------|----------------|-----------|---------------|------------------|---------------|----------------|--------|
| N | 2 | 25-S | 34-E | - | 100' | SOUTH | 2310' | WEST | LEA |
| ¹² Dedicated Acres 479.56 | ¹³ Joint or 1 | nfill 14Co | nsolidation Co | de l¹5Ord | er No. | | | | |



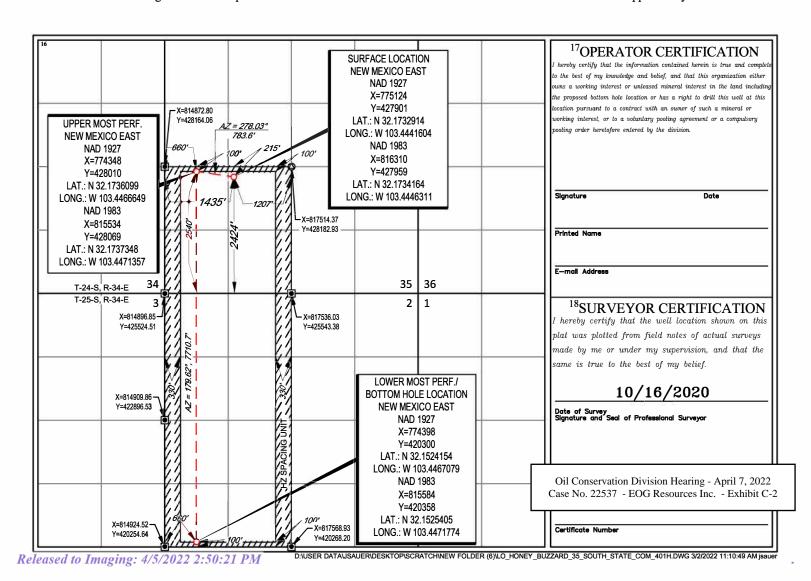
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Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 | API Number | r | | ² Pool Code | | | ³ Pool Na | ıme | | |
|--------------------------------------|--------------------------|--------------|---------------|------------------------|-------------------------|-------------------|----------------------|-----|--------------|------------------------|
| 30 | 0-025 | - | | | | | | | | |
| ⁴ Property C | ode | | | | ⁵ Property I | Name | | | 9/ | Well Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 401H |
| OGRID N | lo. | | | | ⁸ Operator | Name | | | | ⁹ Elevation |
| 7377 | ' | | | EO | G RESOUR | CES, INC. | | | | 3401' |
| | | 10 | | | ¹⁰ Surface L | ocation | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| K | 35 | 24-S | 34-E | \$ = \$ | 2424' | SOUTH | 1435' | WE | ST | LEA |
| 24 | | | 11 | Bottom Ho | le Location If I | Different From Su | rface | | , | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| M | 2 | 25-S | 34-E | = | 100' | SOUTH | 660' | WE | ST | LEA |
| ¹² Dedicated Acres 479.56 | ¹³ Joint or 1 | Infill 14Cor | solidation Co | de ¹⁵ Ordo | er No. | | • | | | |



State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

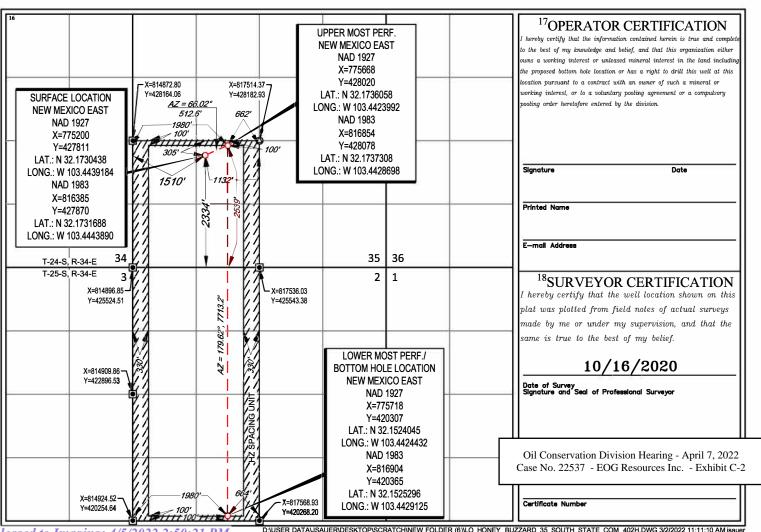
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WELL LOCATION AND ACREAGE DEDICATION PLAT

| | ¹ API Numbe | r | | ² Pool Code | | | ³ Pool Na | ıme | | |
|---|------------------------|-------------|----------------|------------------------|-------------------------|--------------------|----------------------|-----|--------------|------------------------|
| 3 | 0-025 | _ | | | | | | | | |
| ⁴ Property C | Code | | | | ⁵ Property I | Name | | | 67 | Well Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 402H |
| OGRID I | No. | | | | ⁸ Operator I | Name | | | | ⁹ Elevation |
| 7377 | 7 | | | EC | G RESOUR | CES, INC. | | | | 3401' |
| 0_ | | | | | ¹⁰ Surface L | ocation | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| K | 35 | 24-S | 34-E | | 2334' | SOUTH | 1510' | WE | ST | LEA |
| 20 | 53 | | 11] | Bottom Ho | le Location If I | Different From Sur | face | | , | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| N | 2 | 25-S | 34-E | (- | 100' | SOUTH | 1980' | WE | ST | LEA |
| ¹² Dedicated Acres 479.56 | ¹³ Joint or | Infill 14Co | solidation Co | de ¹⁵ Ord | er No. | | • | | | |
| 4 | ¹³ Joint or | Infill 14Co | asolidation Co | de ¹⁵ Ord | er 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.



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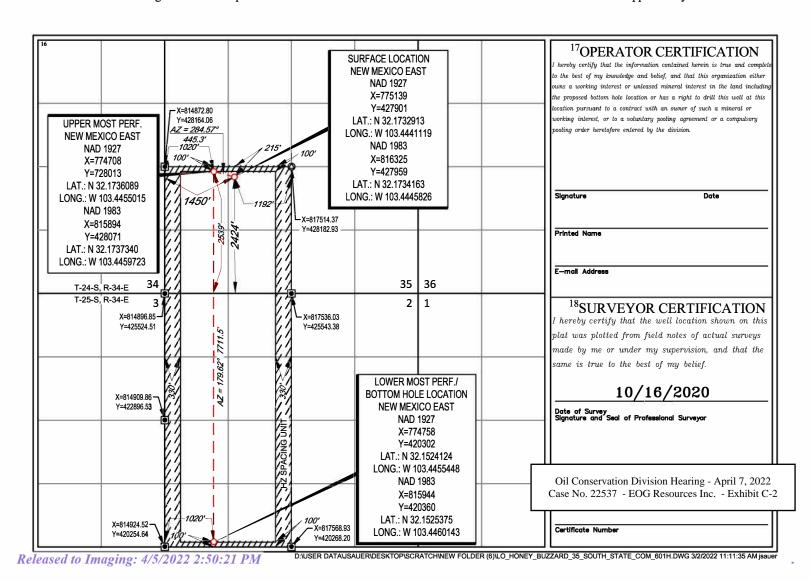
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Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

| | API Numbe | =" | Î | ² Pool Code | | | ³ Pool Na | me | | |
|-------------------------------|--------------------------|-------------|----------------|------------------------|-------------------------|--------------------|----------------------|----|--------------|------------------------|
| 3 | 0-025 | _ | | | -2. | | | | | |
| ⁴Property C | Code | | | | ⁵ Property N | Vame | | | 6/ | Well Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 601H |
| OGRID I | No. | | | | ⁸ Operator N | Name | | | | ⁹ Elevation |
| 7377 | 7 | | | EO | G RESOUR | CES, INC. | | | | 3401' |
| | | | | | ¹⁰ Surface L | ocation | Vo | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| K | 35 | 24-S | 34-E | 3=1 | 2424' | SOUTH | 1450' | WE | ST | LEA |
| | | | 11] | Bottom Ho | le Location If D | Different From Sur | face | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| M | 2 | 25-S | 34-E | = | 100' | SOUTH | 1020' | WE | ST | LEA |
| ¹² Dedicated Acres | ¹³ Joint or 1 | Infill 14Co | nsolidation Co | de ¹⁵ Orde | er No. | | | | | |
| 479.56 | | - 1 | | | | | | | | |



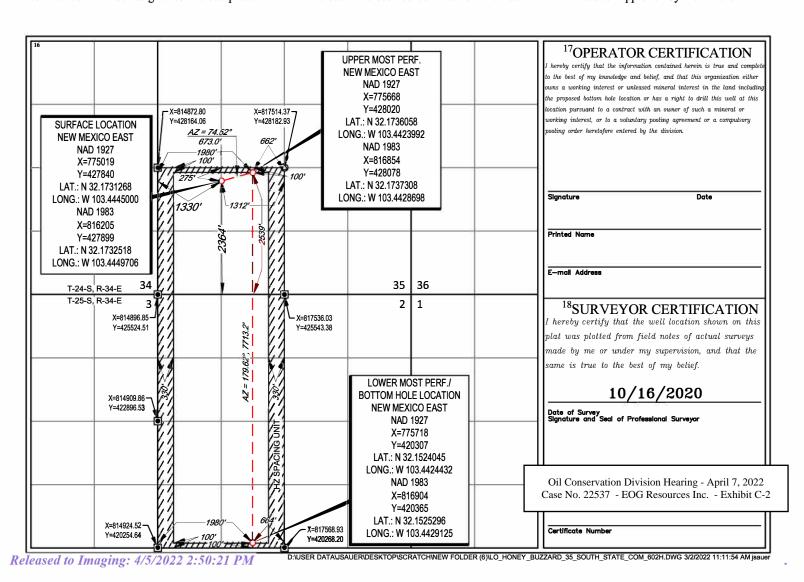
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
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WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 | API Number | r | ľ | ² Pool Code | | | ³ Pool Na | ıme | | |
|---|--------------------------|-------------|---------------|------------------------|-------------------------|-------------------|----------------------|-----|-----------------|------------------------|
| 30 | 0-025 | _ | | | | | | | | |
| ⁴ Property C | ode | | | | ⁵ Property | Name | | | ₀ 7. | Vell Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 602H |
| OGRID N | lo. | | | | ⁸ Operator | Name | | | | ⁹ Elevation |
| 7377 | , | | | EO | G RESOUF | RCES, INC. | | | | 3402' |
| | | | | | ¹⁰ Surface L | ocation | d. We | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| K | 35 | 24-S | 34-E | | 2364' | SOUTH | 1330' | WE | ST | LEA |
| 49 | 2 | | 11] | Bottom Ho | le Location If l | Different From Su | rface | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| N | 2 | 25-S | 34-E | - | 100' | SOUTH | 1980' | WE | ST | LEA |
| ¹² Dedicated Acres 479.56 | ¹³ Joint or 1 | Infill 14Co | solidation Co | de ¹⁵ Ordo | er No. | • | - | | | |



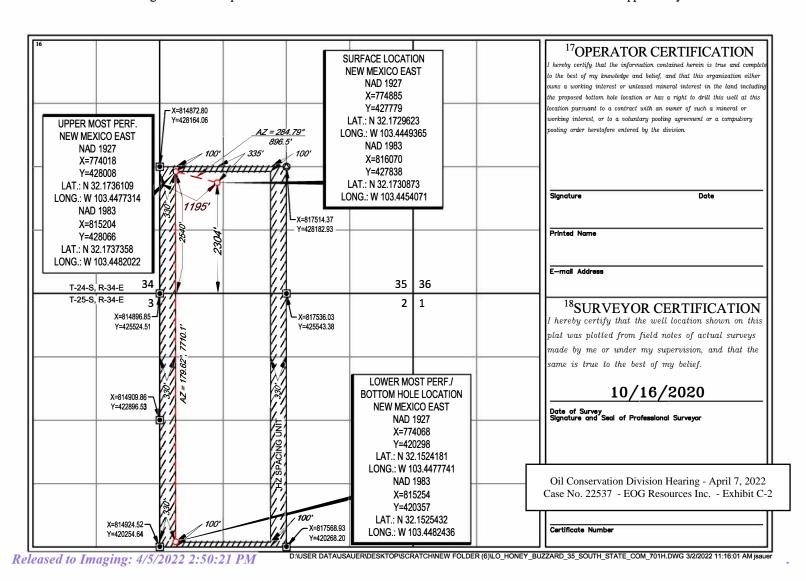
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WELL LOCATION AND ACREAGE DEDICATION PLAT

| | ¹ API Numbe | r | | ² Pool Code | Î | | ³ Pool Na | ıme | | |
|-------------------------------|--------------------------|-------------|----------------|------------------------|-------------------------|--------------------|----------------------|-----|--------------|------------------------|
| 3 | 0-025 | _ | | | | | | | | |
| ⁴ Property (| Code | | | | ⁵ Property I | Name | | | 70 | Vell Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 701H |
| OGRID 1 | No. | | | | ⁸ Operator I | Name | | | | ⁹ Elevation |
| 7377 | 7 | | | EO | G RESOUR | CES, INC. | | | | 3401' |
| | | | | | ¹⁰ Surface L | ocation | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| L | 35 | 24-S | 34-E | ₹ <u></u> | 2304' | SOUTH | 1195' | WE | ST | LEA |
| | | | 11] | Bottom Ho | le Location If I | Different From Sur | rface | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| M | 2 | 25-S | 34-E | = | 100' | SOUTH | 330' | WE | ST | LEA |
| ¹² Dedicated Acres | ¹³ Joint or 1 | Infill 14Co | nsolidation Co | de 15Orde | er No. | | | | | |
| 479.56 | 1 | - 1 | | | | | | | | |



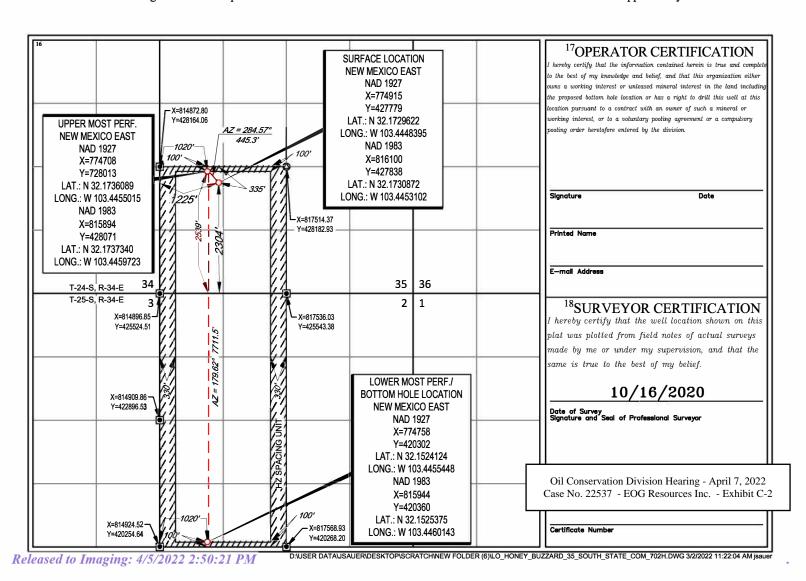
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Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 | API Number | r | | ² Pool Code | | | ³ Pool Na | ame | | |
|---|--------------------------|-------------|----------------|------------------------|-------------------------|-------------------|----------------------|-----|--------------|------------------------|
| 30 | 0-025- | _ | | | | | | | | |
| ⁴ Property C | ode | | | | ⁵ Property | Name | | | 70 | Vell Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 702H |
| OGRID N | Vo. | | | | ⁸ Operator | Name | | | | ⁹ Elevation |
| 7377 | 7 | | | EO | G RESOUF | RCES, INC. | | | | 3401' |
| 1.0 | | | V | | ¹⁰ Surface L | ocation | . V- | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| L | 35 | 24-S | 34-E | | 2304' | SOUTH | 1225' | WE | ST | LEA |
| 44 | | | 11] | Bottom Ho | le Location If | Different From Su | rface | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| M | 2 | 25-S | 34-E | - | 100' | SOUTH | 1020' | WE | ST | LEA |
| ¹² Dedicated Acres 479.56 | ¹³ Joint or 1 | Infill 14Co | nsolidation Co | de 15Ordo | er No. | | | | | |



²Dedicated Acres

479.56

³Joint or Infill

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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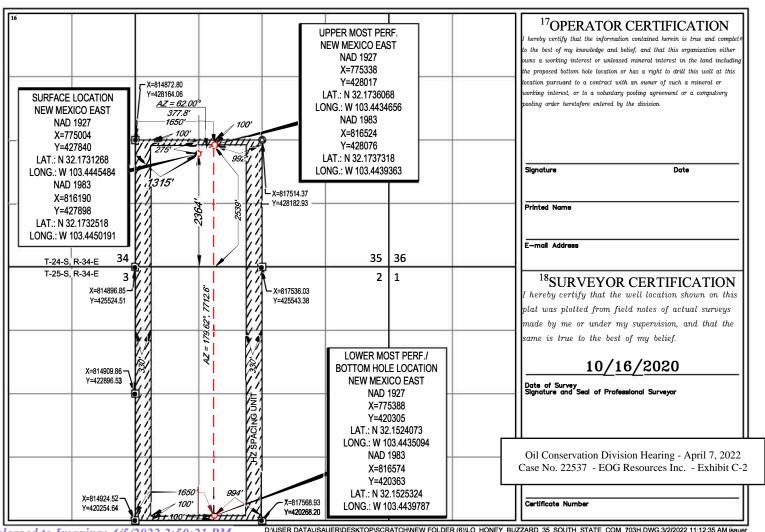
WELL LOCATION AND ACREAGE DEDICATION PLAT

| I | ¹ API Number | r | | ² Pool Code | | | ³ Pool Na | ame | | |
|-------------------------|-------------------------|----------|-----------------|------------------------|-------------------------|-------------------|----------------------|--|--------------|------------------------|
| 3 | 0-025- | - | | | | | | | | |
| ⁴ Property C | Code | | | | ⁵ Property I | Name | | | 70 | Well Number |
| | | | HON | EY BUZ | ZZARD 35 | SOUTH STAT | E COM | | | 703H |
| OGRID I | No. | | | | ⁸ Operator I | Name | | The state of the s | | ⁹ Elevation |
| 7377 | 7 | | | EO | G RESOUR | CES, INC. | | | | 3402' |
| | | | | | ¹⁰ Surface L | ocation | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| L | 35 | 24-S | 34-E | - | 2364' | SOUTH | 1315' | WE | ST | LEA |
| | 64 | | 11 _] | Bottom Ho | le Location If I | Different From Su | rface | | , | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | Ea | st/West line | County |
| N | 2 | 25-S | 34-E | - | 100' | SOUTH | 1650' | WES | ST | 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.

⁵Order No.

⁴Consolidation Code



Released to Imaging: 4/5/2022 2:50:21 PM

D:USER DATA:USAUER:DESKTOP\SCRATCH:NEW FOLDER (6)\LO_HONEY_BUZZARD_35_SOUTH_STATE_COM_703H.DWG 3/2/2022 11:12:35 AM jsaue

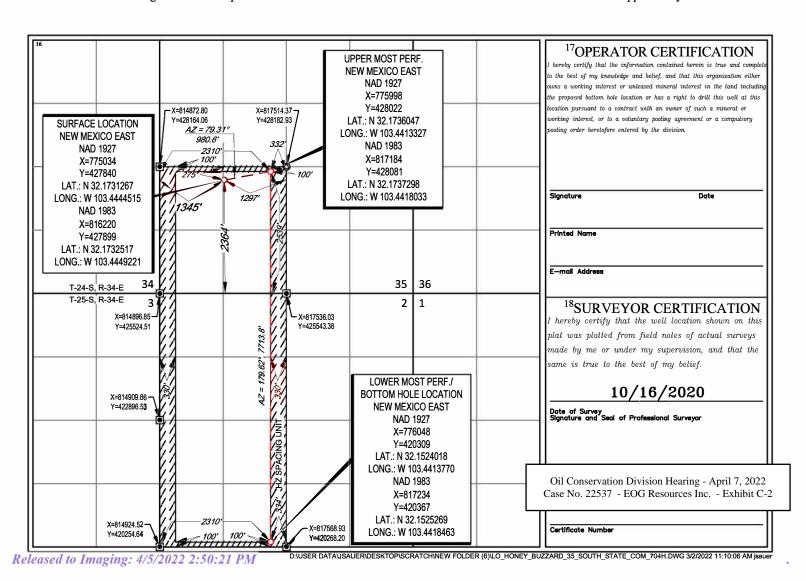
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 | ¹ API Numbe 0-025 | | | ² Pool Code | | | ³ Pool Na | ame | |
|--------------------------|---------------------------------|------------|-----------------|------------------------|-------------------------------------|--------------------|----------------------|----------|---------------------------------|
| | | _ | | | 50 | V | | | ⁶ Well Number |
| ⁴ Property (| Loae | | HON | NEY BUZ | ⁵ Property N ZZARD 35 | south stat: | Е СОМ | | 704H |
| 7377 | | | | EO | ⁸ Operator N G RESOUR | | | | ⁹ Elevation 3402' |
| | | 19 | | | ¹⁰ Surface L | ocation | | | (0) |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/Wes | t line County |
| K | 35 | 24-S | 34-E | . = | 2364' | SOUTH | 1345' | WEST | LEA |
| | 53 | | 11] | Bottom Ho | le Location If D | Different From Sur | face | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/Wes | t line County |
| N | 2 | 25-S | 34-E | - | 100' | SOUTH | 2310' | WEST | LEA |
| 12Dedicated Acres 479.56 | ¹³ Joint or | Infill 14C | onsolidation Co | de 15Orde | er No. | | | | |



| NWNW D | NENW C | NVINE B | NENE A | Honey Buzzard 35 South State Com Lease Plat |
|------------------|-----------|------------|----------------|--|
| SWNNV E | SENW F | swne g | SENE H | 0332663/000 ST NM VO-7379 |
| NWSW L | NESW K | NWSE | NESE I | 0089559/000 ST NM VB-1585-1 |
| Tra swsw M | sesw N | SWSE O | SESE P | 0089560/000 ST NM VB-1586-1 |
| NWNW D | NENW C | NWNE B | 2 NENE A | Spacing Unit Boundary: W/2 - Com Agmt |
| SWANN E | SENW F | SWNE G | SENE H | |
| NWSW L | 25S- | 34E | MESE I | |
| SWSW M | SESW N | SWSE O | SESE P | |

| Owner Name | Туре | Tract | <u>Depths</u> | WI (Expense) | WI (Expense; Formula) | NRI |
|------------------------|------|-------|-------------------------|--------------|--|------------|
| State of New Mexico | RI | 1 - 3 | Surface - Base Wolfcamp | | | 0.18054918 |
| EOG Resources, Inc. | OR | 3 | Surface - Base Wolfcamp | | | 0.01092564 |
| Sharbro Energy, LLC | OR | 3 | Surface - Base Wolfcamp | | | 0.00002985 |
| EOG Resources, Inc. | IM | 1 - 3 | Surface - Base Wolfcamp | 0.91789406 | | |
| 2022 2:5 | | | | | (319.56/479.56) + (75.375007% * 160/479.56) + (0.015789% * 160/479.56) | 0.74007372 |
| Oxy Y-1 Company | IM | 3 | Surface - Base Wolfcamp | 0.08194791 | | |
| Houston, TX 77227-7570 | | | | | (24.561837% * 160/479.56) | 0.06828992 |
| Sharbro Energy, LLC | MI | 3 | Surface - Base Wolfcamp | 0.00015803 | (.047367% * 160/479.56) | 0.00013169 |
| TOTAL | тот | | | 1.00000000 | | 1.00000000 |
| | | | | | | |

TRACT ONE: 159.56 acres, more or less, being Lot 3, Lot 4 and the South Half of the Northwest Quarter (\$/2 NW/4) of Section 2, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico

TRACT TWO: 160 acres, more or less, being the Southwest Quarter (SW/4) of Section 2, Township 25 South, Range 34 East, N.M.P.M., Lea County, New Mexico

TRACT THREE: 160 acres, more or less, being the Southwest Quarter (SW/4) of Section 35, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico

*PARTY TO BE POOLED



October 18, 2021

Working Interest Owner

EMAIL, CERTIFIED MAIL, RETURN RECEIPT REQUESTED

RE: <u>Honey Buzzard 35 South State Com #301H, #302H, #303H, #401H, #402H, #601H, #602H, #701H, #702H, #703H, and #704H Well Proposals</u>

Section 35: SW/4, 24S-34E and Section 2: W/2, 25S-34E. Lea County, New Mexico

Dear Working Interest Owner:

EOG Resources, Inc. ("EOG") hereby proposes the drilling of the following horizontal wells located in the SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-34E, Lea County, New Mexico:

Honey Buzzard 35 South State Com #301H

SHL: 2424' FSL 1420' FWL, Section 35, 24S-34E BHL: 100' FSL 330' FWL, Section 2, 25S-34E

TVD: 10,365' TMD: 17,865'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #302H

SHL: 2364' FSL 1510' FWL, Section 35, 24S-34E BHL: 100' FSL 1320' FWL, Section 2, 25S-34E

TVD: 10,365' TMD: 17,865'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #303H

SHL: 2319' FSL 1510 FWL, Section 35, 24S-34E

Page 1 of 6

BHL: 100' FSL 2310' FWL, Section 2, 25S-34E

TVD: 10,365' TMD: 17,865'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #401H

SHL: 2424' FSL 1435 FWL, Section 35, 24S-34E BHL: 100' FSL 660' FWL, Section 2, 25S-34E

TVD: 10,680' TMD: 18,180'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #402

SHL: 2334' FSL 1510' FWL, Section 35, 24S-34E BHL: 100' FSL 1980' FWL, Section 2, 25S-34E

TVD: 10,680' TMD: 18,180'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #601H

SHL: 2424' FSL 1450' FWL, Section 35, 24S-34E BHL: 100' FSL 1020' FWL, Section 2, 25S-34E

TVD: 12,260' TMD: 19,760'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #602H

SHL: 2364' FSL 1330' FWL, Section 35, 24S-34E BHL: 100' FSL 1980 FWL, Section 2, 25S-34E

TVD: 12,260' TMD: 19,760'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Bone Spring Formation

Page 2 of 6

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #701H

SHL: 2304' FWL 1195' FWL, Section 35, 24S-34E BHL: 100' FSL 330' FWL, Section 2, 25S-34E

TVD: 12,530' TMD: 20,030'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Wolfcamp formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #702H

SHL: 2304' FSL 1225' FWL, Section 35, 24S-34E BHL: 100' FSL 1020' FWL, Section 2, 25S-34E

TVD: 12,530' TMD: 20,030'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Wolfcamp formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #703H

SHL: 2364' FSL 1315' FWL, Section 35, 24S-34E BHL: 100' FSL 1650' FWL, Section 2, 25S-34E

TVD: 12,530' TMD: 20,030'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Wolfcamp formation

Total Estimated Drilling and Completion Cost: See attached AFE

Honey Buzzard 35 South State Com #704H

SHL: 2364' FSL 1345' FWL, Section 35, 24S-34E BHL: 100' FSL 2310' FWL, Section 2, 25S-34E

TVD: 12,530' TMD: 20,030'

Horizontal Spacing Unit: SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

34E, Lea County, New Mexico

Targeted Interval: Wolfcamp formation

Total Estimated Drilling and Completion Cost: See attached AFE

EOG is proposing to drill these wells under the modified terms of the 1989 AAPL Operating Agreement with a contract area limited to the Bone Spring and Wolfcamp Formations and covering the SW/4 of Section 35, 24S-34E and the W/2 of Section 2, 25S-

Page 3 of 6

34E, Lea County, New Mexico. A form of said Operating Agreement will be forwarded to you following your receipt of this proposal.

Within 30 days of the date of this letter, if we do not reach a mutual agreement, EOG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest for the proposed wells.

Please indicate your election to participate in the drilling and completion of the proposed wells in the space provided below. Please sign and return one copy of this letter, a signed copy of the enclosed AFE, and your geologic well requirements.

EOG appreciates your cooperation in the development of this acreage and thank you in advance for your early consideration of this proposal. If you have any questions, please call the undersigned at 432-227-3769 or by sending email to laci_stretcher@eogresources.com.

Sincerely,

EOG Resources, Inc.

Laci Stretcher Landman

Please indicate your election in the space provided below:

The undersigned elects **TO PARTICIPATE** in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #301H well.

The undersigned elects **NOT TO PARTICIPATE** in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #301H well.

| and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #302H well. |
|--|
| The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #302H well. |
| The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #303H well. |
| The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #303H well. |
| The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #401H well. |
| The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #401H well. |
| The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #402H well. |
| The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #402H well. |
| The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #601H well. |
| The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #601H well. |
| The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #602H well |

Page 5 of 6

| | completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #602H well. |
|------------|--|
| | The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #701H well. |
| | The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #701H well. |
| | The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #702H well. |
| | The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #702H well. |
| | The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #703H well. |
| | The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #703H well. |
| | The undersigned elects TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #704H well. |
| | The undersigned elects NOT TO PARTICIPATE in the drilling, completing and equipping of the captioned EOG Resources, Inc. Honey Buzzard 35 South State Com #704H well. |
| Company: _ | |
| By: | |
| Title: | |
| Date: | |

Page 6 of 6



| MIDLAND | Prin | nted 10/14/21 | | |
|---------------|--------------|---------------|--|--|
| AFE No. | LS101450 | Original | | |
| Property No. | XXXXXX-000 | | | |
| EOG W.I.(BCP) | (AC | P) | | |
| EOG AFE Amt: | (Drlg) | \$2,739,000 | | |
| | (Land) | \$81,000 | | |
| | (Completion) | \$4,045,490 | | |
| | (Facility) | \$311,500 | | |
| | (Flowback) | \$292,500 | | |
| | Total Cost | \$7,469,490 | | |

| Reg. Lease No. : | | | Prospect Nar | Com #301H ne: RED HIL | LS | TVD / MD : | 10365 / 17865 | | Begin Date : | Begin Date: | |
|--|-------------|-------------|--------------------|---|------------------------------|-------------------------|------------------|-------------------|-----------------|------------------------|----------------------------|
| Location : (SHL) 2424' FSL 1420' F | WL, Section | 35, 24S-34E | | | | | | | | WL, Section 2, 25S-34E | |
| S | | | | | | DD04 Field | | | | | |
| Formation : Bone Spring Operator : EOG RESOURCE | S INC | | County & Sta | te· IFΔ/NF | W MEXICO | DD&A Field : Field : | UNASSIGNED | 1 | Water Depth | | |
| AFE Description : | HONEY BUZ | D BE COMPL | UTH STATE C | OM #301H D&C 10,3 BONE SPRING FOR , T25S-34E IN LEA C | 865' TVD TO 1 MATION. THE | 7,865' MD IS A 1 | .5 MILE | Product : | OIL | Days : | 0 / 0 |
| | DESCR | | <u>u 020110N 2</u> | , 1200 042 III 2EA 0 | SUB ACT | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURV | /EY | | | | 401 | 75,000 | 0 | | 233 | 0 | 82,500 |
| COMP-FLBK-LOCATION AND ROAD | S | | | | 401 | 0 | - | | 0 | 10,000 | 10,000 |
| COMP-RIG MOVE RIG MOVE | | | | | 402 402 | 225,000 | 0 | | 0 | 0 | 225,000 |
| FOOTAGE COST | | | | | 402 | 225,000 | | | 0 | 0 | 223,000 |
| DAY WORK COST | | | | | 404 | 405,000 | 0 | | 0 | 0 | 405,000 |
| BITS & BHA | | | | | 405 | 90,000 | 0 | | 0 | 0 | 90,000 |
| COMP-BITS & PHA COMP - FUEL | | | | | 405 406 | 0 | 0 | | 0 | 5,000 | 17,500 300,000 |
| FUEL | | | | | 406 | 65,000 | 0 | | 0 | 0,000 | 65,000 |
| WATER | | | | | 407 | 3,500 | 0 | | 0 | 0 | 438,500 |
| COMP-FLBK-CHEMICALS | | | | | 408 408 | 240,000 | 0 | | 0 | 3,000 | 3,000 240,000 |
| MUD & CHEMICALS CEMENTING & SERVICE | | | | | 409 | 240,000 | 0 | | 0 | 0 | 215,000 |
| COMP- PERFORATING | | | | | 413 | 0 | | | 0 | 0 | 333,500 |
| COMP- STIMULATION | | | | | 414 | 0 | _ | | 0 | 0 | 1,972,865 |
| COMP-TRANSPORTATION TRANSPORTATION | | | | | 415 415 | 30,000 | 0 | | 0 | 4,000 0 | 28,000 30,000 |
| COMP-Completion Overhead | | | | | 416 | 30,000 | 0 | | 0 | 0 | 7,500 |
| DRILLING OVERHEAD | | | | | 416 | 5,000 | 0 | | 0 | 0 | 5,000 |
| COMP-EQUIPMENT RENTAL | | | | | 417 | 0 | , and the second | , | 0 | 0 | 150,000 |
| FLBK-EQUIPMENT RENT/OPERATIONS | | | | | 417 | 162,000 | 0 | 0 | 3,000 | 50,000 | 215,000 |
| COMP-COMPLETION RIG | | | | | 418 | 0 | 0 | 5,000 | 0 | 0 | 5,000 |
| OTHER DRILLING EXPENSE | | | | | 419 | 5,000 | | | 0 | 0 | 5,000 |
| COMP-ENVIRON & SAFETY CHARG | ES | | | | 421 | 0 | 0 | | 0 | 0 | 20,000 |
| ENVIRONMENTAL & SAFETY DIRECTIONAL DRILLING | | | | | 421 422 | 2,500 210,000 | 0 | | 0 | 0 | 2,500 210,000 |
| COMP- SUPERVISION | | | | | 424 | 210,000 | 0 | | 0 | 0 | 165,000 |
| SUPERVISION | | | | | 424 | 115,000 | 0 | | 0 | 0 | 115,000 |
| COMP- COMMUNICATIONS | | | | | 431 | 0 | 0 | | 0 | 0 | 3,000 |
| TUBULAR INSPECTION/HANDLING COMP-CASED HOLE LOGGING/TES | eT. | | | | 436 438 | 5,000 | 0 | | 0 | 0 | 6,000 7,500 |
| SPECIALTY SERVICES |) | | | | 441 | 100,000 | | | 0 | 0 | 115,000 |
| COMP-WIRELINE SERVICES | | | | | 442 | 0 | | | 0 | 0 | 8,500 |
| COMP-COIL TUBING/NITROGEN | | | | | 445 | 0 | | , | 0 | 0 | 185,000 |
| COMP-CONTRACT LABOR MISC FLBK-DISPOSAL COSTS | | | | | 446 447 | 105,000 | ů | , | 0 | 500 125,000 | 18,000 275,000 |
| COMP-COMPLETION FLUIDS | | | | | 448 | 000,000 | | -, | 0 | 0 | 7,500 |
| TITLE OPINION-DRILL SITE | | | | | 453 | 0 | 10,000 | | 0 | 0 | 10,000 |
| COMP-FLOWBACK | | | | | 465 | 0 | | | 0 | 75,000 | 80,000 |
| COMP-REUSE WATER COMP-LAND ROW DRILLING | | | | | 480 482 | 0 | | 165,000 | | | 165,000 7,500 |
| COMP-LAND ROW COMPLETION | | | | | 483 | 0 | , | | | | 7,500 |
| COMP-LAND SURVEY & DAMAGES | | | | | 484 | 0 | 20,000 | | 0 | 0 | 20,000 |
| DRILL | | | | | | | | | | | |
| COMP-LAND SURVEY & DAMAGES COMP | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP-REG-PERMIT FEE/ENV | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| SURV&ASSESS | | | | TOTAL I | NTANGIBLES | \$2,058,000 | \$81,000 | \$3,892,865 | \$3,000 | \$272,500 | \$6,307,365 |
| | UOM | QTY | SIZE | SIZE GRADE | RATE | | | | | 1 | |
| SURFACE CASING | | | | | 102 | 35,000 | 0 | 0 | 0 | 0 | 35,000 |
| INTERMEDIATE CASING | | | | | 103 | 200,000 | 0 | | 0 | 0 | 200,000 |
| PRODUCTION CASING COMP-TUBING | | | | | 104 106 | 375,000 | 0 | | 0 | 0 | 375,000 |
| WELLHEAD EQUIPMENT | | | | | 106 | 71,000 | | , - | 0 | 0 | 58,125 153,500 |
| COMP-FAC-FLOW LINES | | | | | 109 | 0 | 0 | | 95,000 | 0 | 95,000 |
| COMP-FAC-VALVES & FITTINGS | | | | | 110 | 0 | 0 | 0 | 31,000 | 0 | 31,000 |
| COMP-VALVES & FITTINGS | | | | | 110 | 0 | 0 | 1 500 | 0 | 20,000 | 24 500 |
| COMP-PUMP | | - | | | 110 113 | 0 | | | 0 | 20,000 | 21,500 10,500 |
| EQUIP/SUBSURFACE | | | | | | | | | | | |
| COMP-FAC- | | | | | 115 | 0 | 0 | 0 | 100,000 | 0 | 100,000 |
| HEATERS,TREATRS,SEPRS COMP-FAC-METERING | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| EQUIPMENT | | | | | 110 | | I | I | 24,000 | | 24,000 |
| COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 41,000 | 0 | 41,000 |
| COST | | | | | | _ | | | | | |
| COMP-FAC-LABR/ELEC MEAS/AUTOMA | | | | | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 |
| COMP-FAC- | | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC | | | | | <u> </u> | | | | | | |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | | - | - | | 415 | 0 | | | | | 3,000 |
| & SAFETY | | | | | 421 | 0 | 0 | 0 | 5,500 | 0 | 5,500 |
| COMP-FAC-ELECTRICAL | | 1 | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| LABOR |] | | | <u> </u> | L TANGET - | A/ | | *1= 0 | **** | | A |
| | | | | | L TANGIBLES TOTAL COST | | | | | | \$1,162,125 \$7,469,490 |
| Ву | | | Date | | | Ву | | | | Date | |
| <u> </u> | | | JOINT (| OPERATOR APPRO | VAL | 1 | | | | 1 | |
| Firm : | | | Ву | | | Title | | | | Date | |
| | | | <u> </u> | | | | | | | <u> </u> | |



MIDLAND Printed 10/14/21

AFE No. LS101451 Original

Property No. XXXXXX-000

EOG W.I.(BCP) (ACP)

EOG AFE Amt: (Drig) \$2,739,000

(Land) \$81,000

(Completion) \$4,045,490

(Facility) \$311,500

(Flowback) \$292,500

Total Cost \$7,469,490

| Reg. Lease No. : | Prospect Nar | ne: RED HILI | LS | TVD / MD : | 10365 / 17865 | | Begin Date : | | |
|---|--------------|--|-----------------------------|-------------------------|------------------|-------------------|-----------------|--|--------------------|
| Location : (SHL) 2364' FWL 1510' FWL, Section 35, 24S-34 | | | - | | | #1): 100' FSL 132 | | | |
| | | | | | | | | | |
| Formation : Bone Spring Operator : EOG RESOURCES INC | County & Sta | to: LEA/NE | W MEXICO | DD&A Field : Field : | UNASSIGNED | | Water Depth | | |
| AFE Description : HONEY BUZZARD 35 S LATERAL TO BE COMI SECTION 35, T248, R3 | OUTH STATE C | OM #302H D&C 10,30 BONE SPRING FORM | 65' TVD TO 1 MATION. THE | 7,865' MD IS A 1 | .5 MILE | Product : | OIL | Days : | 0 / 0 |
| DESCRIPTION | | , | SUB | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURVEY | | | 401 | 75,000 | 0 | | 0 | 0 | 82,500 |
| COMP-FLBK-LOCATION AND ROADS | | | 401 | 0 | - | | 0 | 10,000 | 10,000 |
| COMP-RIG MOVE RIG MOVE | | | 402 402 | 225,000 | 0 | | 0 | 0 | 225,000 |
| FOOTAGE COST | | | 403 | 0 | | | 0 | 0 | 223,000 |
| DAY WORK COST | | | 404 | 405,000 | 0 | 0 | 0 | 0 | 405,000 |
| BITS & BHA | | | 405 | 90,000 | 0 | | 0 | 0 | 90,000 |
| COMP-BITS & PHA COMP - FUEL | | | 405 406 | 0 | 0 | | 0 | 5,000 | 17,500 300,000 |
| FUEL | | | 406 | 65,000 | 0 | | 0 | 0,000 | 65,000 |
| WATER | | | 407 | 3,500 | 0 | | 0 | 0 | 438,500 |
| COMP-FLBK-CHEMICALS | | | 408 | 0 | 0 | | 0 | 3,000 | 3,000 |
| MUD & CHEMICALS CEMENTING & SERVICE | | | 408 409 | 240,000 215,000 | 0 | | 0 | 0 | 240,000 215,000 |
| COMP- PERFORATING | | | 413 | 0 | | | 0 | 0 | 333,500 |
| COMP- STIMULATION | | | 414 | 0 | _ | | 0 | 0 | 1,972,865 |
| COMP-TRANSPORTATION TRANSPORTATION | | | 415 415 | 20,000 | 0 | | 0 | 4,000 | 28,000 |
| COMP-Completion Overhead | | | 415 | 30,000 | 0 | | 0 | 0 | 30,000 7,500 |
| DRILLING OVERHEAD | | | 416 | 5,000 | 0 | | 0 | 0 | 5,000 |
| COMP-EQUIPMENT RENTAL | | | 417 | 0 | , and the second | , | 0 | 0 | 150,000 |
| FLBK-EQUIPMENT RENT/OPERATIONS | | | 417 | 162,000 | 0 | 0 | 3,000 | 50,000 | 215,000 |
| COMP-COMPLETION RIG | | | 418 | 0 | 0 | 5,000 | 0 | 0 | 5,000 |
| OTHER DRILLING EXPENSE | | | 419 | 5,000 | | | 0 | 0 | 5,000 |
| COMP-ENVIRON & SAFETY CHARGES | | | 421 | 0 | 0 | | 0 | 0 | 20,000 |
| ENVIRONMENTAL & SAFETY | | | 421 | 2,500 | 0 | | 0 | | 2,500 |
| DIRECTIONAL DRILLING COMP- SUPERVISION | | | 422 424 | 210,000 | 0 | | 0 | 0 | 210,000 165,000 |
| SUPERVISION | | | 424 | 115,000 | | , | 0 | | 115,000 |
| COMP- COMMUNICATIONS | | | 431 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| TUBULAR INSPECTION/HANDLING | | | 436 | 5,000 | 0 | | 0 | 0 | 6,000 |
| COMP-CASED HOLE LOGGING/TEST SPECIALTY SERVICES | | | 438 441 | 100,000 | 0 | | 0 | 0 | 7,500 |
| COMP-WIRELINE SERVICES | | | 441 | 100,000 | | | 0 | | 115,000 8,500 |
| COMP-COIL TUBING/NITROGEN | | | 445 | 0 | | | 0 | 0 | 185,000 |
| COMP-CONTRACT LABOR MISC | | | 446 | 0 | ů | , | 0 | 500 | 18,000 |
| FLBK-DISPOSAL COSTS | | | 447 | 105,000 | | -, | 0 | 125,000 | 275,000 |
| COMP-COMPLETION FLUIDS TITLE OPINION-DRILL SITE | | | 448 453 | 0 | | , | 0 | 0 | 7,500 10,000 |
| COMP-FLOWBACK | | | 465 | 0 | - , | | 0 | 75,000 | 80,000 |
| COMP-REUSE WATER | | | 480 | 0 | 0 | | | | 165,000 |
| COMP-LAND ROW DRILLING | | | 482 | 0 | , | | | | 7,500 |
| COMP-LAND ROW COMPLETION COMP-LAND SURVEY & DAMAGES | | | 483 | 0 | ., | | | | 7,500 |
| DRILL | | | 484 | 0 | 20,000 | U | 0 | U | 20,000 |
| COMP-LAND SURVEY & DAMAGES | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP | | | | | | | | | |
| COMP-REG-PERMIT FEE/ENV SURV&ASSESS | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| 50.11.0.100200 | | TOTAL II | NTANGIBLES | \$2,058,000 | \$81,000 | \$3,892,865 | \$3,000 | \$272,500 | \$6,307,365 |
| UOM QTY | SIZE | SIZE GRADE | RATE | | | | | | |
| SURFACE CASING | + | | 102 | 35,000 | | | | | 35,000 |
| INTERMEDIATE CASING PRODUCTION CASING | + | | 103 104 | 200,000 375,000 | 0 | | 0 | 0 | 200,000 375,000 |
| COMP-TUBING | + | | 106 | 0/0,000 | | | 0 | 0 | 58,125 |
| WELLHEAD EQUIPMENT | | | 107 | 71,000 | | | 0 | 0 | 153,500 |
| COMP-FAC-FLOW LINES COMP-FAC-VALVES & FITTINGS | 4 | | 109 | 0 | 0 | | 95,000 | | 95,000 |
| OCIVIL 1 AC-VALVES & FITTINGS | 1 | | 110 | | 0 | ľ | 31,000 |] "I | 31,000 |
| COMP-VALVES & FITTINGS | \pm | <u> </u> | 110 | 0 | 0 | 1,500 | 0 | 20,000 | 21,500 |
| COMP-PUMP | | | 113 | 0 | 0 | 10,500 | 0 | 0 | 10,500 |
| EQUIP/SUBSURFACE COMP-FAC- | + | | 115 | ^ | 0 | _ | 100.000 | 0 | 100.000 |
| HEATERS,TREATRS,SEPRS | 1 | | 115 | 0 | I | 0 | 100,000 |] "I | 100,000 |
| COMP-FAC-METERING | + | 1 1 | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| EQUIPMENT | | | | ļ | | | | | |
| COMP-FAC-CONSTRUCTION COST | | | 122 | 0 | 0 | 0 | 41,000 | 0 | 41,000 |
| COMP-FAC-LABR/ELEC | + | | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 |
| MEAS/AUTOMA | | | | <u> </u> | ° | <u> </u> | 1,000 | | 1,500 |
| COMP-FAC- | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC COMP-FAC-TRANSPORTATION | + | | 415 | 0 | 0 | _ | 2 000 | 0 | 2.000 |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | + | | 415 | 0 | | | 3,000 5,500 | | 3,000 5,500 |
| & SAFETY | | <u> </u> | <u> </u> | <u> </u> | | <u> </u> | | ĭ | |
| COMP-FAC-ELECTRICAL | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| LABOR | | | L TANGIBLES | | | | | | \$1,162,125 |
| | | • | TOTAL COST | \$2,739,000 | \$81,000 | \$4,045,490 | \$311,500 | \$292,500 | \$7,469,490 |
| Ву | Date | | | Ву | | | | Date | |
| | JOINT (| OPERATOR APPROV | /AL | | | | | | |
| Firm : | Ву | | | Title | | | | Date | |
| | | | | | | | | | |



| MIDLAND | Pri | nted 10/14/21 |
|---------------|--------------|---------------|
| AFE No. | LS101452 | Original |
| Property No. | XXXXXXX-000 | |
| EOG W.I.(BCP) | (AC | CP) |
| EOG AFE Amt: | (Drlg) | \$2,739,000 |
| | (Land) | \$81,000 |
| | (Completion) | \$4,045,490 |
| | (Facility) | \$311,500 |
| | (Flowback) | \$292,500 |
| | Total Cost | \$7,469,490 |

| Reg. Lease No. : | Prospect Nar | Com #303H me: RED HILI | LS | TVD / MD : | 10365 / 17865 | | Begin Date : | | |
|--|--------------------------------|--|-----------------------------|-------------------------|------------------|-------------------|-----------------|---|--------------------|
| Location : (SHL) 2319' FSL 1510 FWL, Section 35, 24S-34 | | | | | | #1): 100' FSL 231 | | | |
| | | | | | | | | | |
| Formation : Bone Spring Operator : EOG RESOURCES INC | County & Sta | ato: LEA/NE | W MEXICO | DD&A Field : Field : | UNASSIGNED | | Water Depth | | |
| AFE Description : HONEY BUZZARD 35 LATERAL TO BE COM SECTION 35, T24S, R3 | SOUTH STATE C PLETED IN THE | OM #303H D&C 10,3 BONE SPRING FOR! | 65' TVD TO 1 MATION. THE | 7,865' MD IS A 1 | .5 MILE | Product : | OIL | Days : | 0 / 0 |
| DESCRIPTION | | | SUB ACT | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURVEY | | | 401 | 75,000 | 0 | | 0 | | 82,500 |
| COMP-FLBK-LOCATION AND ROADS | | | 401 | 0 | - | | 0 | | 10,000 |
| COMP-RIG MOVE RIG MOVE | | | 402 402 | 225,000 | 0 | | 0 | | 225,000 |
| FOOTAGE COST | | | 403 | 0 | | | 0 | | 223,000 |
| DAY WORK COST | | | 404 | 405,000 | 0 | | 0 | 0 | 405,000 |
| BITS & BHA | | | 405 | 90,000 | 0 | | 0 | | 90,000 |
| COMP-BITS & PHA COMP - FUEL | | | 405 406 | 0 | 0 | | 0 | | 17,500 300,000 |
| FUEL | | | 406 | 65,000 | 0 | | 0 | | 65,000 |
| WATER | | | 407 | 3,500 | 0 | | 0 | _ | 438,500 |
| COMP-FLBK-CHEMICALS | | | 408 | 0 | 0 | | 0 | -, | 3,000 |
| MUD & CHEMICALS CEMENTING & SERVICE | | | 408 409 | 240,000 215,000 | 0 | | 0 | | 240,000 215,000 |
| COMP- PERFORATING | | | 413 | 0 | | | 0 | 0 | 333,500 |
| COMP- STIMULATION | | | 414 | 0 | _ | | 0 | | 1,972,865 |
| COMP-TRANSPORTATION TRANSPORTATION | | | 415 415 | 20,000 | 0 | | 0 | ., | 28,000 |
| COMP-Completion Overhead | | | 415 | 30,000 | 0 | | 0 | | 30,000 7,500 |
| DRILLING OVERHEAD | | | 416 | 5,000 | 0 | | 0 | | 5,000 |
| COMP-EQUIPMENT RENTAL | | | 417 | 0 | , and the second | , | 0 | | 150,000 |
| FLBK-EQUIPMENT RENT/OPERATIONS | | | 417 | 162,000 | 0 | 0 | 3,000 | 50,000 | 215,000 |
| COMP-COMPLETION RIG | | | 418 | 0 | 0 | 5,000 | 0 | 0 | 5,000 |
| OTHER DRILLING EXPENSE | | | 419 | 5,000 | | | 0 | | 5,000 |
| COMP-ENVIRON & SAFETY CHARGES | | | 421 | 0 | 0 | | 0 | 0 | 20,000 |
| ENVIRONMENTAL & SAFETY | | | 421 | 2,500 | 0 | | 0 | | 2,500 |
| DIRECTIONAL DRILLING COMP- SUPERVISION | | | 422 424 | 210,000 | 0 | | 0 | | 210,000 165,000 |
| SUPERVISION | | | 424 | 115,000 | | , | 0 | | 115,000 |
| COMP- COMMUNICATIONS | | | 431 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| TUBULAR INSPECTION/HANDLING | | | 436 | 5,000 | 0 | | 0 | | 6,000 |
| COMP-CASED HOLE LOGGING/TEST SPECIALTY SERVICES | | | 438 441 | 100,000 | 0 | | 0 | | 7,500 115,000 |
| COMP-WIRELINE SERVICES | - | | 442 | 00,000 | | | 0 | | 8,500 |
| COMP-COIL TUBING/NITROGEN | | | 445 | 0 | | | 0 | | 185,000 |
| COMP-CONTRACT LABOR MISC | | | 446 | 0 | ů | , | 0 | | 18,000 |
| FLBK-DISPOSAL COSTS COMP-COMPLETION FLUIDS | | | 447 | 105,000 | | -, | 0 | | 275,000 |
| TITLE OPINION-DRILL SITE | | | 448 453 | 0 | | , | 0 | | 7,500 10,000 |
| COMP-FLOWBACK | | | 465 | 0 | -, | | 0 | | 80,000 |
| COMP-REUSE WATER | | | 480 | 0 | 0 | 165,000 | | | 165,000 |
| COMP-LAND ROW DRILLING | | | 482 | 0 | , | | | | 7,500 |
| COMP-LAND ROW COMPLETION COMP-LAND SURVEY & DAMAGES | | | 483 484 | 0 | ., | | 0 | | 7,500 |
| DRILL | | | 484 | 0 | 20,000 | U | 0 | U | 20,000 |
| COMP-LAND SURVEY & DAMAGES | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP | | | | | | | | | |
| COMP-REG-PERMIT FEE/ENV SURV&ASSESS | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| 50.11a.150250 | | TOTAL II | NTANGIBLES | \$2,058,000 | \$81,000 | \$3,892,865 | \$3,000 | \$272,500 | \$6,307,365 |
| UOM QTY | SIZE | SIZE GRADE | | | | | | | |
| SURFACE CASING INTERMEDIATE CASING | $\overline{}$ | 1 | 102 103 | 35,000 | 0 | | 0 | | 35,000 200,000 |
| PRODUCTION CASING | + | | 103 | 200,000 375,000 | 0 | | 0 | | 375,000 |
| COMP-TUBING | 1 | 1 | 106 | 0 | | | 0 | | 58,125 |
| WELLHEAD EQUIPMENT | | | 107 | 71,000 | | | 0 | , v | 153,500 |
| COMP-FAC-FLOW LINES COMP-FAC-VALVES & FITTINGS | | | 109 | 0 | 0 | | 95,000 | | 95,000 |
| OOWI -I AO-VALVES & FILLINGS | | | 110 | | 0 | ľ | 31,000 | ٥ | 31,000 |
| COMP-VALVES & FITTINGS | | <u> </u> | 110 | 0 | 0 | 1,500 | 0 | 20,000 | 21,500 |
| COMP-PUMP | | | 113 | 0 | 0 | 10,500 | 0 | 0 | 10,500 |
| EQUIP/SUBSURFACE COMP-FAC- | + | + | 115 | ^ | 0 | _ | 100.000 | 0 | 100.000 |
| HEATERS,TREATRS,SEPRS | | | 115 | 0 | I | 0 | 100,000 | ٥ | 100,000 |
| COMP-FAC-METERING | 1 | 1 1 | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| EQUIPMENT | | | | | | | | | |
| COMP-FAC-CONSTRUCTION COST | | | 122 | 0 | 0 | 0 | 41,000 | 0 | 41,000 |
| COMP-FAC-LABR/ELEC | + | + + | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 |
| MEAS/AUTOMA | | | | <u> </u> | ° | <u> </u> | 1,000 | ĭ | 1,500 |
| COMP-FAC- | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC COMP-FAC-TRANSPORTATION | | + + - | 415 | 0 | 0 | _ | 2 000 | 0 | 2.000 |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | + | + + | 415 | 0 | | | 3,000 5,500 | | 3,000 5,500 |
| & SAFETY | | | | <u> </u> | | <u> </u> | | <u> </u> | |
| COMP-FAC-ELECTRICAL | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| LABOR | | | TANGIBLES | | | | | | \$1,162,125 |
| | | • | TOTAL COST | \$2,739,000 | \$81,000 | \$4,045,490 | \$311,500 | \$292,500 | \$7,469,490 |
| Ву | Date | | | Ву | | | | Date | |
| | JOINT | OPERATOR APPROV | /AL | | | | | | |
| Firm : | Ву | | | Title | | | | Date | |
| <u> </u> | | | | | | | | 1 | |



MIDLAND Printed 10/14/2021

AFE No. LS101454 Original

Property No. XXXXXX-000

EOG W.I.(BCP) (ACP)

EOG AFE Amt: (Drig) \$3,039,000

(Land) \$81,000

(Completion) \$4,045,490

(Facility) \$330,500

(Flowback) \$301,000

Total Cost \$7,796,990

| Reg. Lease No. : | | | Prospect Nan | ne: RED H | ILLS | TVD / MD : | 10680 / 18180 | | Begin Date : | | |
|--|------------------------|-----------|----------------------|---|--------------------------------|-------------------------|--|-------------------|-----------------|------------------------|---------------------|
| Location : (SHL) 2424' FSL 1435 FWL, S | Section 35 | , 24S-34E | | | | | | | | WL, Section 2, 25S-34E | |
| | | | | | | | | | | | |
| Formation : Bone Spring Operator : EOG RESOURCES INC | | | County & Sta | to: LEA/N | IEW MEXICO | DD&A Field : Field : | UNASSIGNED | | Water Depth | | |
| AFE Description : HON LATE | IEY BUZZ/ ERAL TO I | BE COMPL | UTH STATE CO | OM #401H D&C 10 BONE SPRING FO , T25S, R34E IN LE | ,680' TVD TO 1 RMATION. THI | 8,180' MD IS A 1 | I.5 MILE | Product : | OIL | Days : | 0/0 |
| | DESCRIP | · | <u>u 02011011 2,</u> | , 1200, 11042 111 22 | SUB ACT | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURVEY | | | | | 401 | 75,000 | 0 | | 0 | | 82,500 |
| COMP-FLBK-LOCATION AND ROADS | | | | | 401 | 0 | | | 0 | | 10,000 |
| COMP-RIG MOVE RIG MOVE | | | | | 402 402 | 225,000 | 0 | | 0 | 1 | 225,000 |
| FOOTAGE COST | | | | | 403 | 0 | 0 | | 0 | 1 | 223,000 |
| DAY WORK COST | | | | | 404 | 475,000 | 0 | | 0 | 0 | 475,000 |
| BITS & BHA COMP-BITS & PHA | | | | | 405 405 | 100,000 | 0 | | 0 | | 100,000 17,500 |
| COMP-BITS & PHA COMP - FUEL | | | | | 405 | 80,000 | | | 0 | | 376,000 |
| FUEL | | | | | 406 | 90,000 | 0 | | 0 | | 90,000 |
| WATER | | | | | 407 | 3,500 | 0 | | 0 | - | 438,500 |
| COMP-FLBK-CHEMICALS MUD & CHEMICALS | | | | | 408 408 | 260,000 | 0 | | 0 | -, | 3,000 260,000 |
| CEMENTING & SERVICE | | | | | 409 | 235,000 | 0 | | 0 | | 235,000 |
| COMP- PERFORATING | | | | | 413 | 0 | - | , | 0 | - | 333,500 |
| COMP- STIMULATION COMP-TRANSPORTATION | | | | | 414 415 | 0 | 0 | | 0 | | 1,972,865 24,500 |
| TRANSPORTATION | | | | | 415 | 30,000 | 0 | | 0 | | 30,000 |
| COMP-Completion Overhead | | | | | 416 | 0 | 0 | 7,500 | 0 | 0 | 7,500 |
| DRILLING OVERHEAD | | | | | 416 | 5,000 | 0 | | 0 | | 5,000 |
| COMP-EQUIPMENT RENTAL FLBK-EQUIPMENT | | | | | 417 417 | 162,000 | ~ | | 3,000 | - | 150,000 215,000 |
| RENT/OPERATIONS | | | | | 71/ | 102,000 | I | Ī | 3,000 | 30,000 | 213,000 |
| COMP-COMPLETION RIG | | | | | 418 | 0 | | | 0 | 0 | 5,000 |
| OTHER DRILLING EXPENSE COMP-ENVIRON & SAFETY CHARGES | | | | | 419 | 5,000 | 0 | | 0 | - | 5,000 |
| ENVIRONMENTAL & SAFETY | | | | | 421 421 | 2,500 | 0 | | 0 | 1,000 | 21,500 2,500 |
| DIRECTIONAL DRILLING | | | | | 422 | 250,000 | 0 | | 0 | 0 | 250,000 |
| COMP- SUPERVISION | | | | | 424 | 0 | 0 | , | 0 | - | 165,000 |
| SUPERVISION COMP- COMMUNICATIONS | | | | | 424 431 | 150,000 | 0 | | 0 | | 154,500 3,000 |
| TUBULAR INSPECTION/HANDLING | | | | | 436 | 5,000 | 0 | | 0 | | 6,000 |
| COMP-CASED HOLE LOGGING/TEST | | | | | 438 | 0 | 0 | | 0 | | 7,500 |
| SPECIALTY SERVICES COMP-WIRELINE SERVICES | | | | | 441 442 | 100,000 | | | 0 | | 115,000 8,500 |
| COMP-COIL TUBING/NITROGEN | | | | | 445 | 0 | | | 0 | | 185,000 |
| COMP-CONTRACT LABOR MISC | | | | | 446 | 0 | Ü | 17,500 | 0 | | 18,000 |
| FLBK-DISPOSAL COSTS | | | | | 447 | 105,000 | | -, | 0 | | 275,000 |
| COMP-COMPLETION FLUIDS TITLE OPINION-DRILL SITE | | | | | 448 453 | 0 | | , , , , , , | 0 | - | 7,500 10,000 |
| COMP-FLOWBACK | | | | | 465 | 0 | -, | | 0 | - | 80,000 |
| COMP-REUSE WATER | | | | | 480 | 0 | | | | | 165,000 |
| COMP-LAND ROW DRILLING COMP-LAND ROW COMPLETION | | | | | 482 483 | 0 | , , , , , | | | | 7,500 7,500 |
| COMP-LAND SURVEY & DAMAGES | | | | | 484 | 0 | 20,000 | + | 0 | 0 | 20,000 |
| DRILL | | | | | | _ | | _ | - | | |
| COMP-LAND SURVEY & DAMAGES COMP | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP-REG-PERMIT FEE/ENV | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| SURV&ASSESS | | | | TOTAL | . INTANGIBLES | _ | | | \$3,000 | | \$6,605,865 |
| <u> </u> | 1014 | OT)/ | 0.75 | | | Ψ2,000,000 | ψ01,000 | \$0,002,000 | ψο,σσσ | ¥27 1,000 | ψ0,000,000 |
| SURFACE CASING | JOM | QTY | SIZE | SIZE GRAD | 102 | 35,000 | 0 | 0 | 0 | 0 | 35,000 |
| INTERMEDIATE CASING | | | | | 103 | 200,000 | 0 | | 0 | | 200,000 |
| PRODUCTION CASING | | | | | 104 | 375,000 | 0 | | 0 | | 375,000 |
| COMP-TUBING WELLHEAD EQUIPMENT | | | | | 106 107 | 71,000 | Ü | , . | 0 | 1 | 58,125 153,500 |
| COMP-FAC-FLOW LINES | | | | | 107 | 71,000 | 0 | | 95,000 | · v | 95,000 |
| COMP-FAC-VALVES & FITTINGS | | | | | 110 | 0 | | | 31,000 | | 31,000 |
| COMP VALVES & FITTINGS | | | | | 140 | - | _ | | _ | 22.22 | 0.4 5 5 |
| COMP-VALVES & FITTINGS COMP-PUMP | | | | | 110 113 | 0 | | | 0 | 30,000 | 31,500 10,500 |
| EQUIP/SUBSURFACE | | | | | | | | · | <u> </u> | | |
| COMP-FAC- | | | | | 115 | 0 | 0 | 0 | 100,000 | 0 | 100,000 |
| HEATERS,TREATRS,SEPRS COMP-FAC-METERING | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| EQUIPMENT | | | | <u> </u> | 110 | <u></u> | ° | <u> </u> | 24,000 | | 24,000 |
| COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 60,000 | 0 | 60,000 |
| COST COMP-FAC-LABR/ELEC | | | | | 124 | 0 | 0 | 0 | 1,000 |) 0 | 1,000 |
| MEAS/AUTOMA | | | | | 124 | | | 0 | 1,000 | o o | 1,000 |
| COMP-FAC- | | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC COMP-FAC-TRANSPORTATION | | | | | 445 | | | 1 | 2.000 | , | 2.000 |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | | | | + + | 415 421 | 0 | | | 3,000 5,500 | | 3,000 5,500 |
| & SAFETY | | | | | | | <u> </u> | | 5,550 | | |
| COMP-FAC-ELECTRICAL LABOR | | | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| LADON | | | l | TOT | AL TANGIBLES | | | | | | \$1,191,125 |
| | | | | | TOTAL COST | \$3,039,000 | \$81,000 | \$4,045,490 | \$330,500 | \$301,000 | \$7,796,990 |
| Ву | | | Date | | | Ву | | | | Date | |
| | | | JOINT C | OPERATOR APPR | OVAL | 1 | | | | | |
| Firm : | | | Ву | | | Title | | | | Date | |
| | | | | | | | | | | | |



| MIDLAND | Prir | nted 90/14/2021 |
|---------------|--------------|-----------------|
| AFE No. | LS101455 | Original |
| Property No. | XXXXXX-000 | |
| EOG W.I.(BCP) | (AC | P) |
| EOG AFE Amt: | (Drlg) | \$3,039,000 |
| | (Land) | \$81,000 |
| | (Completion) | \$4,045,490 |
| | (Facility) | \$330,500 |
| | (Flowback) | \$301,000 |
| | Total Cost | \$7,796,990 |

| Reg. Lease No. : | Prospect Na | me: RED HIL | LS | TVD / MD : | 10680 / 18180 | | Begin Date : | | | |
|---|-------------------|--|-----------------------------|-------------------------|------------------|-------------------|-----------------|--|-------------------|--|
| Location : (SHL) 2334' FSL 1510' FWL, Section 35, 24S-3 | | | | | | | | WL, Section 2, 25S-34E | | |
| | | | | | | | | | | |
| Formation : Bone Spring Operator : EOG RESOURCES INC | County & Sta | ato: LEA/NE | W MEXICO | DD&A Field : Field : | UNASSIGNED | | Water Depth | | | |
| AFE Description : HONEY BUZZARD 35 LATERAL TO BE COI SECTION 35, T24S, R | SOUTH STATE C | OM #402H D&C 10,6 BONE SPRING FOR! | 80' TVD TO 1 MATION. THE | 8,180' MD IS A 1 | .5 MILE | Product : | OIL | Days : | 0 / 0 | |
| DESCRIPTION | 042 4 020 11011 2 | , 1200, NOTE IN CEA | SUB | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL | |
| ACCESS LOCATION, ROADS&SURVEY | | | 401 | 75,000 | 0 | 7,500 | 0 | 0 | 82,500 | |
| COMP-FLBK-LOCATION AND ROADS | | | 401 | 0 | - | | 0 | | 10,000 | |
| COMP-RIG MOVE RIG MOVE | | | 402 402 | 225,000 | 0 | | 0 | 11 | 225,000 | |
| FOOTAGE COST | | | 403 | 0 | 0 | | 0 | 11 | (| |
| DAY WORK COST | | | 404 | 475,000 | 0 | | 0 | | 475,000 | |
| BITS & BHA COMP-BITS & PHA | | | 405 405 | 100,000 | 0 | | 0 | | 100,000 17,500 | |
| COMP - FUEL | | | 406 | 80,000 | | | 0 | | 376,000 | |
| FUEL | | | 406 | 90,000 | 0 | | 0 | | 90,000 | |
| WATER | | | 407 | 3,500 | 0 | | 0 | | 438,500 | |
| COMP-FLBK-CHEMICALS MUD & CHEMICALS | | | 408 408 | 260,000 | 0 | | 0 | -, | 3,000 260,000 | |
| CEMENTING & SERVICE | | | 409 | 235,000 | 0 | | 0 | | 235,000 | |
| COMP- PERFORATING | | | 413 | 0 | _ | , | 0 | | 333,500 | |
| COMP TRANSPORTATION | | | 414 | 0 | _ | | 0 | | 1,972,865 | |
| COMP-TRANSPORTATION TRANSPORTATION | | | 415 415 | 30,000 | 0 | | 0 | | 24,500 30,000 | |
| COMP-Completion Overhead | | | 416 | 0 | 0 | | 0 | 11 | 7,500 | |
| DRILLING OVERHEAD | | | 416 | 5,000 | 0 | | 0 | | 5,000 | |
| COMP-EQUIPMENT RENTAL FLBK-EQUIPMENT | | | 417 | 0 | , and the second | , | 0 000 | 11 | 150,000 | |
| RENT/OPERATIONS | | | 417 | 162,000 | 0 | 0 | 3,000 | 50,000 | 215,000 | |
| COMP-COMPLETION RIG | | | 418 | 0 | 0 | 5,000 | 0 | 0 | 5,000 | |
| OTHER DRILLING EXPENSE | | | 419 | 5,000 | | | 0 | | 5,000 | |
| COMP-ENVIRON & SAFETY CHARGES ENVIRONMENTAL & SAFETY | | | 421 421 | 2,500 | 0 | | 0 | ., | 21,500 2,500 | |
| DIRECTIONAL DRILLING | | | 421 | 250,000 | 0 | | 0 | | 250,000 | |
| COMP- SUPERVISION | | | 424 | 0 | 0 | | 0 | 0 | 165,000 | |
| SUPERVISION | | | 424 | 150,000 | | | 0 | , | 154,500 | |
| COMP- COMMUNICATIONS TUBULAR INSPECTION/HANDLING | | | 431 436 | 5,000 | 0 | | 0 | | 3,000 6,000 | |
| COMP-CASED HOLE LOGGING/TEST | | | 438 | 3,000 | 0 | | 0 | | 7,500 | |
| SPECIALTY SERVICES | | | 441 | 100,000 | | | 0 | 0 | 115,000 | |
| COMP-WIRELINE SERVICES | | | 442 | 0 | | | 0 | | 8,500 | |
| COMP-COIL TUBING/NITROGEN COMP-CONTRACT LABOR MISC | | | 445 446 | 0 | | , | 0 | 11 | 185,000 18,000 | |
| FLBK-DISPOSAL COSTS | | | 447 | 105,000 | | , | 0 | | 275,000 | |
| COMP-COMPLETION FLUIDS | | | 448 | 0 | | | 0 | | 7,500 | |
| TITLE OPINION-DRILL SITE | | | 453 | 0 | - , | | 0 | | 10,000 | |
| COMP-FLOWBACK COMP-REUSE WATER | | | 465 480 | 0 | | | 0 | 75,000 | 80,000 165,000 | |
| COMP-LAND ROW DRILLING | | | 482 | 0 | | 165,000 | | | 7,500 | |
| COMP-LAND ROW COMPLETION | | | 483 | 0 | , | | | | 7,500 | |
| COMP-LAND SURVEY & DAMAGES | | | 484 | 0 | 20,000 | 0 | 0 | 0 | 20,000 | |
| DRILL COMP-LAND SURVEY & DAMAGES | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 | |
| COMP | | | 460 | 1 | 20,000 | | | U | 20,000 | |
| COMP-REG-PERMIT FEE/ENV | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 | |
| SURV&ASSESS | | TOTAL II | NTANGIBLES | \$2,358,000 | \$81,000 | \$3,892,865 | \$3,000 | \$271,000 | \$6,605,865 | |
| UOM QTY | SIZE | SIZE GRADE | RATE | | | | | | | |
| SURFACE CASING | | | 102 | 35,000 | | | 0 | 0 | 35,000 | |
| INTERMEDIATE CASING | | | 103 | 200,000 | 0 | | 0 | | 200,000 | |
| PRODUCTION CASING COMP-TUBING | | | 104 106 | 375,000 | 0 | | 0 | | 375,000 58,125 | |
| WELLHEAD EQUIPMENT | | | 107 | 71,000 | | , | 0 | 11 | 153,500 | |
| COMP-FAC-FLOW LINES | | | 109 | 0 | 0 | 0 | 95,000 | | 95,000 | |
| COMP-FAC-VALVES & FITTINGS | | | 110 | 0 | 0 | 0 | 31,000 | 0 | 31,000 | |
| COMP-VALVES & FITTINGS | + | + + | 110 | 0 | 0 | 1,500 | n | 30,000 | 31,500 | |
| COMP-PUMP | | 1 1 | 113 | 0 | | | 0 | 0 | 10,500 | |
| EQUIP/SUBSURFACE | | | ļ | | | | | ↓ | | |
| COMP-FAC- HEATERS,TREATRS,SEPRS | | | 115 | 0 | 0 | 0 | 100,000 | 0 | 100,000 | |
| COMP-FAC-METERING | + | + + | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 | |
| EQUIPMENT | | | | <u> </u> | | <u> </u> | | | | |
| COMP-FAC-CONSTRUCTION | | | 122 | 0 | 0 | 0 | 60,000 | 0 | 60,000 | |
| COST COMP-FAC-LABR/ELEC | | + | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 | |
| MEAS/AUTOMA | | | 124 | | | | 1,000 | J | 1,000 | |
| COMP-FAC- | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 | |
| INSTRUMENT/ELECTRIC COMP-FAC-TRANSPORTATION | | + + | 445 | _ | _ | _ | 2.000 | _ | 2.000 | |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | | + + | 415 421 | 0 | | | 3,000 5,500 | | 3,000 5,500 | |
| & SAFETY | | <u> </u> | 741 | <u> </u> | <u> </u> | <u> </u> | 3,300 | | 3,300 | |
| COMP-FAC-ELECTRICAL | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 | |
| LABOR | | TOTAL | TANGIBLES | \$681,000 | \$0 | \$152,625 | \$327,500 | \$30,000 | \$1,191,125 | |
| | | | TOTAL COST | | | | | | \$7,796,990 | |
| Ву | Date | | | Ву | | | | Date | | |
| | JOINT | OPERATOR APPROV | /AL | | | | | | | |
| Firm : | Ву | | | Title | | | | Date | | |
| | | | | 1 | | | | 1 | | |



| MIDLAND | Prir | nted 90/14/2021 |
|---------------|--------------|-----------------|
| AFE No. | LS101456 | Original |
| Property No. | XXXXXX-000 | |
| EOG W.I.(BCP) | (AC | P) |
| EOG AFE Amt: | (Drlg) | \$3,732,500 |
| | (Land) | \$76,000 |
| | (Completion) | \$4,319,621 |
| | (Facility) | \$413,500 |
| | (Flowback) | \$435,500 |
| | Total Cost | \$8,977,121 |

| AFE Type: DEVELOPMENT DRILL | ING | AFE Name : | Honey B Com #60 | | South State | AFE Date : | 10/14/2021 | | Budget Year : 2021 | | | |
|--|--|---------------------------|--------------------|----------|----------------------------|---|------------|-------------|---|------------|--------------------|--|
| Reg. Lease No. : Location : 2424' FSL 1450' FWL, Sec | ction 35, 24S-34E | Prospect Name : RED HILLS | | | TVD / MD : BHLocation : | VD / MD : 12260 / 19760 BHLocation : BH(LATERAL #1): 100' FSL 10 | | | Begin Date : 20' FWL, Section 2, 25S-34E | | | |
| Formation : Bone Spring | | | | | | DD&A Field : | | | | | | |
| Operator : EOG RESOURCES INC | | County & Sta | ite : | LEA / NE | W MEXICO | Field : | UNASSIGNED | | Water Depth | : | | |
| | BUZZARD 35 S | | | | | | | Product : | OIL | Days : | 0/0 | |
| | N 35, T24S, R34 | | | | | WELL IS LUCA | ATED IN | | | | | |
| | SCRIPTION | | | | SUB | DRILLING | LAND | COMPLETION | FACILITY | FLOWBACK | TOTAL | |
| | JOSKII TION | | | | ACT | 230 | 237 | 231 | 235 | 236 | TOTAL | |
| ACCESS LOCATION, ROADS&SURVEY COMP-FLBK-LOCATION AND ROADS | | | | | 401 401 | 90,000 | | | 0 | 10,000 | 97,500 | |
| COMP-RIG MOVE | | | | | 401 | 0 | | | | 10,000 | 10,000 | |
| RIG MOVE | | | | | 402 | 25,000 | | | | 0 | 25,000 | |
| FOOTAGE COST DAY WORK COST | | | | | 403 404 | 75,000 590,000 | 0 | | 0 | 0 | 75,000 590,000 | |
| BITS & BHA | | | | | 405 | 145,000 | 0 | | | 0 | 145,000 | |
| COMP-BITS & PHA | | | | | 405 | 0 | Ů | , | 0 | 0 | 17,500 | |
| COMP - FUEL FUEL | | | | | 406 406 | 140,000 | ŭ | | 0 | 7,500 0 | 307,500 140,000 | |
| WATER | | | | | 407 | 5,000 | 0 | | 0 | 0 | 520,000 | |
| COMP-FLBK-CHEMICALS | | | | | 408 | 0 | 0 | | 0 | 3,000 | 3,000 | |
| MUD & CHEMICALS CEMENTING & SERVICE | | | | | 408 409 | 325,000 210,000 | 0 | | 0 | 0 | 325,000 210.000 | |
| COMP- PERFORATING | | | | | 413 | 0 | | | 0 | 0 | 356,500 | |
| COMP- STIMULATION COMP-TRANSPORTATION | | | | | 414 | 0 | | | 0 | 0 | 2,262,891 | |
| TRANSPORTATION TRANSPORTATION | | | | | 415 415 | 0 37,500 | | , | 0 | 0 | 24,000 37,500 | |
| COMP-Completion Overhead | | | | | 416 | 0 | 0 | 7,500 | 0 | 0 | 7,500 | |
| DRILLING OVERHEAD COMP-EQUIPMENT RENTAL | | | | | 416 417 | 5,000 | 0 | | 0 | 0 | 5,000 130,000 | |
| FLBK-EQUIPMENT | | | | | 417 | 195,000 | | · | 3,000 | 60,000 | 258,000 | |
| RENT/OPERATIONS | | | | | | | | _ | · | | | |
| COMP-COMPLETION RIG OTHER DRILLING EXPENSE | | | | | 418 419 | 5,000 | 0 | | 0 | 0 | 5,000 5,000 | |
| COMP-ENVIRON & SAFETY CHARGES | | | | | 421 | 0,000 | | | 0 | 0 | 20,000 | |
| ENVIRONMENTAL & SAFETY | | | | | 421 | 5,000 | 0 | | 0 | 0 | 5,000 | |
| DIRECTIONAL DRILLING COMP- SUPERVISION | | | | | 422 424 | 235,000 | 0 | | 0 | 0 | 235,000 125,000 | |
| SUPERVISION | | | | | 424 | 150,000 | 0 | | 0 | 0 | 150,000 | |
| COMP- COMMUNICATIONS | | | | | 431 | 0 | Ů | | 0 | 0 | 3,000 | |
| TUBULAR INSPECTION/HANDLING COMP-CASED HOLE LOGGING/TEST | | | | | 436 438 | 5,000 | 0 | | 0 | 0 | 6,000 7,500 | |
| SPECIALTY SERVICES | | | | | 441 | 150,000 | | , | 0 | 0 | 165,000 | |
| COMP-WIRELINE SERVICES | | | | | 442 | 0 | | | 0 | 0 | 8,500 | |
| COMP-COIL TUBING/NITROGEN COMP-CONTRACT LABOR MISC | | | | | 445 446 | 0 | | -, | 0 | 0 | 175,000 17,500 | |
| FLBK-DISPOSAL COSTS | | | | | 447 | 200,000 | | 22,500 | 0 | 225,000 | 447,500 | |
| COMP-COMPLETION FLUIDS TITLE OPINION-DRILL SITE | | | | | 448 453 | 0 | | , | 0 | 0 | 7,500 5,000 | |
| COMP-FLOWBACK | | | | | 465 | 0 | | | 0 | 100,000 | 105,000 | |
| COMP-REUSE WATER | | | | | 480 | 0 | | , | | | 135,000 | |
| COMP-LAND ROW DRILLING COMP-LAND ROW COMPLETION | | | | | 482 483 | 0 | | | | | 7,500 7,500 | |
| COMP-LAND SURVEY & DAMAGES | | | | | 484 | 0 | · · | | 0 | 0 | 20,000 | |
| DRILL | | | | | | | | | | | | |
| COMP-LAND SURVEY & DAMAGES COMP | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 | |
| COMP-REG-PERMIT FEE/ENV | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 | |
| SURV&ASSESS | | | | TOTAL II | NTANGIBLES | \$2,592,500 | \$76,000 | \$4,168,391 | \$3,000 | \$405,500 | \$7,245,391 | |
| UOI | M QTY | SIZE | SIZE | GRADE | RATE | | | 1 | | | | |
| SURFACE CASING | | | | | 102 | 40,000 | | | | 0 | 40,000 | |
| INTERMEDIATE CASING | | + | | <u> </u> | 103 | 450,000 | 0 | | | 0 | 450,000 | |
| PRODUCTION CASING COMP-TUBING | _ | + | 1 | 1 | 104 106 | 550,000 0 | 0 | | 0 | 0 | 550,000 56,730 | |
| WELLHEAD EQUIPMENT | | | | | 107 | 100,000 | | | 0 | 0 | 182,500 | |
| COMP-FAC-FLOW LINES COMP-FAC-VALVES & FITTINGS | | | | | 109 110 | 0 | | | 112,000 31,000 | 0 | 112,000 31,000 | |
| OOWII -I AO-VAEVEO & I II IIIVOO | | | | | 110 | | l " | | 31,000 | | 31,000 | |
| COMP-VALVES & FITTINGS | | | | | 110 | 0 | | | 0 | 30,000 | 31,500 | |
| COMP-PUMP EQUIP/SUBSURFACE | | | | | 113 | 0 | 0 | 10,500 | 0 | 0 | 10,500 | |
| COMP-FAC- | | | | | 115 | 0 | 0 | 0 | 135,000 | 0 | 135,000 | |
| HEATERS,TREATRS,SEPRS | | | | | | | | | | | | |
| COMP-FAC-METERING EQUIPMENT | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 | |
| COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 94,000 | 0 | 94,000 | |
| COST COMP-FAC-LABR/ELEC | | + | 1 | <u> </u> | 124 | 0 | 0 | 0 | 4.000 | 0 | 1,000 | |
| MEAS/AUTOMA | | | 1 | | 124 | <u> </u> | L " | | 1,000 | <u> </u> | 1,000 | |
| COMP-FAC- | | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 | |
| INSTRUMENT/ELECTRIC COMP-FAC-TRANSPORTATION | | + | + | 1 | 415 | 0 | 0 | 0 | 3,000 | 0 | 3,000 | |
| COMP-FAC-ENVIRONMENTAL | | 1 | 1 | | 421 | 0 | | | 2,500 | 0 | 2,500 | |
| & SAFETY | | 1 | 1 | 1 | | | | | | | | |
| COMP-FAC-ELECTRICAL LABOR | | | | 1 | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 | |
| <u> </u> | • | • | • | | TANGIBLES | . , , | | | \$410,500 | \$30,000 | \$1,731,730 | |
| | | | | • | TOTAL COST | \$3,732,500 | \$76,000 | \$4,319,621 | \$413,500 | \$435,500 | \$8,977,121 | |
| Ву | | Date | | | | Ву | | | | Date | | |
| | | | OPERATO | R APPROV | /ΔΙ | , | | | | 1 | | |
| Firm : | | | OI ENATU | AFFRUN | | Title | | | | Date | | |
| | | Ву | | | | Tiuc | | | | Date | | |



| MIDLAND | Prir | nted 90/14/2021 |
|---------------|--------------|-----------------|
| AFE No. | LS101457 | Original |
| Property No. | XXXXXX-000 | |
| EOG W.I.(BCP) | (AC | P) |
| EOG AFE Amt: | (Drlg) | \$3,732,500 |
| | (Land) | \$76,000 |
| | (Completion) | \$4,319,621 |
| | (Facility) | \$413,500 |
| | (Flowback) | \$435,500 |
| | Total Cost | \$8,977,121 |

| AFE Type : DEVELOPMEN | IT DRILLING | | AFE Name : | Honey B Com #60 | | South State | AFE Date : 10/14/2021 Budg | | | Budget Year | Budget Year : 2021 | | | |
|--|-------------|-------------|--------------|--------------------|----------|-------------|----------------------------------|---|-------------|----------------|---|--------------------|--|--|
| Reg. Lease No. : Location : (SHL) 2364' FSL 1330' F | WL, Section | 35, 24S-34E | Prospect Nan | | RED HILL | _S | TVD / MD : BHLocation : | TVD / MD: 12260 / 19760 BHLocation: BH(LATERAL #1): 100' FSL 198 | | | Begin Date : 0 FWL, Section 2, 25S-34E | | | |
| Formation : Bone Spring | | | | | | | DD&A Field : | | | | | | | |
| Formation : Bone Spring Operator : EOG RESOURCE | SINC | | County & Sta | te: | LEA / NE | W MEXICO | Field : | UNASSIGNED |) | Water Depth | : | | | |
| | | | | | | | 9,760' MD IS A 1 WELL IS LOCA | | Product : | OIL | Days : | 0 / 0 | | |
| | | | & SECTION 2 | | | | WELL IO LOOP | ATED III | | | | | | |
| | DESCR | IPTION | | | | SUB | DRILLING | LAND | COMPLETION | FACILITY | FLOWBACK | TOTAL | | |
| ACCESS LOCATION DOADS SUID | /EV | | | | | ACT | 230 | 237 | 231 | 235 | 236 | 07.500 | | |
| ACCESS LOCATION, ROADS&SURN COMP-FLBK-LOCATION AND ROAD | | | | | | 401 401 | 90,000 | | | 0 | 10,000 | 97,500 10,000 | | |
| COMP-RIG MOVE | | | | | | 402 | 0 | | | | 0 | 0 | | |
| RIG MOVE FOOTAGE COST | | | | | | 402 403 | 25,000 75,000 | 0 | | | 0 | 25,000 75,000 | | |
| DAY WORK COST | | | | | | 404 | 590,000 | 0 | | | | 590,000 | | |
| BITS & BHA COMP-BITS & PHA | | | | | | 405 405 | 145,000 | 0 | | 0 | 0 | 145,000 17,500 | | |
| COMP - FUEL | | | | | | 406 | 0 | | , | 0 | 7,500 | 307,500 | | |
| FUEL | | | | | | 406 | 140,000 | | | 0 | 0 | 140,000 | | |
| WATER COMP-FLBK-CHEMICALS | | | | | | 407 408 | 5,000 | 0 | , | 0 | 3,000 | 520,000 3,000 | | |
| MUD & CHEMICALS | | | | | | 408 | 325,000 | 0 | 0 | 0 | 0 | 325,000 | | |
| CEMENTING & SERVICE COMP- PERFORATING | | | | | | 409 413 | 210,000 | 0 | | 0 | 0 | 210,000 356,500 | | |
| COMP- STIMULATION | | | | | | 414 | 0 | | | 0 | 0 | 2,262,891 | | |
| COMP-TRANSPORTATION TRANSPORTATION | | | | | | 415 | 0 | | , | 0 | 0 | 24,000 | | |
| COMP-Completion Overhead | | | | | | 415 416 | 37,500 0 | 0 | | 0 | 0 | 37,500 7,500 | | |
| DRILLING OVERHEAD | | | | | | 416 | 5,000 | 0 | 0 | 0 | 0 | 5,000 | | |
| COMP-EQUIPMENT RENTAL FLBK-EQUIPMENT | | | | | | 417 417 | 0 195,000 | 0 | | 3,000 | 60,000 | 130,000 258,000 | | |
| RENT/OPERATIONS | | | | | | 417 | 195,000 | | | 3,000 | 00,000 | 230,000 | | |
| COMP-COMPLETION RIG | | | | | | 418 | 0 | 0 | | 0 | 0 | 5,000 | | |
| OTHER DRILLING EXPENSE COMP-ENVIRON & SAFETY CHARG | ES | | | | | 419 421 | 5,000 | 0 | | 0 | 0 | 5,000 20,000 | | |
| ENVIRONMENTAL & SAFETY | | | | | | 421 | 5,000 | 0 | 0 | 0 | 0 | 5,000 | | |
| DIRECTIONAL DRILLING COMP- SUPERVISION | | | | | | 422 424 | 235,000 | 0 | | 0 | 0 | 235,000 125,000 | | |
| SUPERVISION | | | | | | 424 | 150,000 | 0 | | 0 | 0 | 150,000 | | |
| COMP- COMMUNICATIONS | | | | | | 431 | 0 | | | 0 | | 3,000 | | |
| TUBULAR INSPECTION/HANDLING COMP-CASED HOLE LOGGING/TES | T T | | | | | 436 438 | 5,000 | 0 | | 0 | 0 | 6,000 7,500 | | |
| SPECIALTY SERVICES | | | | | | 441 | 150,000 | | 15,000 | 0 | | 165,000 | | |
| COMP-WIRELINE SERVICES COMP-COIL TUBING/NITROGEN | | | | | | 442 445 | 0 | | | 0 | 0 | 8,500 175,000 | | |
| COMP-CONTRACT LABOR MISC | | | | | | 446 | 0 | | -, | 0 | 0 | 17,500 | | |
| FLBK-DISPOSAL COSTS COMP-COMPLETION FLUIDS | | | | | | 447 448 | 200,000 | | | 0 | 225,000 | 447,500 | | |
| TITLE OPINION-DRILL SITE | | | | | | 453 | 0 | | , | 0 | 0 | 7,500 5,000 | | |
| COMP-FLOWBACK | | | | | | 465 | 0 | 0 | 5,000 | 0 | 100,000 | 105,000 | | |
| COMP-REUSE WATER COMP-LAND ROW DRILLING | | | | | | 480 482 | 0 | | , | | | 135,000 7,500 | | |
| COMP-LAND ROW COMPLETION | | | | | | 483 | 0 | | | | | 7,500 | | |
| COMP-LAND SURVEY & DAMAGES DRILL | | | | | | 484 | 0 | 20,000 | 0 | 0 | 0 | 20,000 | | |
| COMP-LAND SURVEY & DAMAGES | | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 | | |
| COMP | | | | | | | | | | | | | | |
| COMP-REG-PERMIT FEE/ENV SURV&ASSESS | | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 | | |
| | | | | | TOTAL IN | NTANGIBLES | \$2,592,500 | \$76,000 | \$4,168,391 | \$3,000 | \$405,500 | \$7,245,391 | | |
| | UOM | QTY | SIZE | SIZE | GRADE | RATE | | | | I | | | | |
| SURFACE CASING | | | | | | 102 | 40,000 | | | | | 40,000 | | |
| INTERMEDIATE CASING PRODUCTION CASING | | | | | | 103 104 | 450,000 550,000 | 0 | | 0 | 0 | 450,000 550,000 | | |
| COMP-TUBING | | | | | | 106 | 0 | 0 | | | 0 | 56,730 | | |
| WELLHEAD EQUIPMENT COMP-FAC-FLOW LINES | | | | | | 107 109 | 100,000 | | | 112,000 | 0 | 182,500 112,000 | | |
| COMP-FAC-VALVES & FITTINGS | | | | | | 110 | 0 | | | 31,000 | | 31,000 | | |
| COMP VALVES & FITTINGS | | | | | | 440 | | | 4.500 | _ | 00.000 | 04.500 | | |
| COMP-VALVES & FITTINGS COMP-PUMP | | | | 1 | | 110 113 | 0 | | | 0 | 30,000 | 31,500 10,500 | | |
| EQUIP/SUBSURFACE | | | | | | | | | | | | | | |
| COMP-FAC- HEATERS,TREATRS,SEPRS | | | | | | 115 | 0 | 0 | 0 | 135,000 | 0 | 135,000 | | |
| COMP-FAC-METERING | | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 | | |
| EQUIPMENT COMP-FAC-CONSTRUCTION | | | | | | 122 | 0 | 0 | 0 | 04.000 | 0 | 04.000 | | |
| COST | | | | | | 122 | 0 | 0 | | 94,000 | 0 | 94,000 | | |
| COMP-FAC-LABR/ELEC | | | | | | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 | | |
| MEAS/AUTOMA COMP-FAC- | | 1 | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 | | |
| INSTRUMENT/ELECTRIC | | | | | | | | | | | | | | |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | | | | | | 415 421 | 0 | | | 3,000 2,500 | 0 | 3,000 2,500 | | |
| & SAFETY | | | | | | 44.1 | | ° | | 2,300 | | 2,300 | | |
| COMP-FAC-ELECTRICAL LABOR | | | | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 | | |
| | | | | | | TANGIBLES | \$1,140,000 | \$0 | \$151,230 | \$410,500 | \$30,000 | \$1,731,730 | | |
| | | | | | | TOTAL COST | \$3,732,500 | | | \$413,500 | | \$8,977,121 | | |
| D | | | Dete | | | | D | | | | Dete | | | |
| Ву | | | Date | | | | By Date | | | ⊔ate | | | | |
| JOINT OPERATOR APPROV | | | | | | AL | | | | I | | | | |
| Firm : | | | Ву | | | | Title | | | | Date | | | |
| | | | | | | | | | | | | | | |



| MIDLAND | | Printed 10/14/2021 |
|---------------|--------------|--------------------|
| AFE No. | LS101458 | Original |
| Property No. | XXXXXX-000 | |
| EOG W.I.(BCP) | | (ACP) |
| EOG AFE Amt: | (Drlg) | \$3,732,500 |
| | (Land) | \$76,000 |
| | (Completion) | \$4,319,621 |
| | (Facility) | \$413,500 |
| | (Flowback) | \$435,500 |
| | Total Cost | \$8,977,121 |

| Reg. Lease No. : | | | Prospect Nan | ne: RED HII | LLS | TVD / MD : | 12530 / 20030 | | Begin Date : | | |
|--|--------------|-------------|--------------|--|-------------|--------------------|-----------------|-------------------|-------------------|-----------------|--------------------|
| Location : 2304' FWL 1195' | FWL, Section | 35, 24S-34E | | | - | | | #1): 100' FSL 330 | | | |
| Formation : WOLFCAMP | | | | | | DD&A Field : | | | | | |
| Operator : EOG RESOURCE | SINC | | County & Sta | te: LEA/N | EW MEXICO | Field : | UNASSIGNED |) | Water Depth | : | |
| AFE Description : | TO BE COM | PLETED IN T | | 01H D&C 12,530' T\ IP FORMATION. TH . CO., NM. | | | | Product : | OIL | Days : | 0 / 0 |
| | DESCRI | PTION | | | SUB | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURV | | | | | 401 | 90,000 | 0 | 7,500 | 0 | 0 | 97,500 |
| COMP-FLBK-LOCATION AND ROAD COMP-RIG MOVE | IS . | | | | 401 402 | 0 | 0 | | 0 | | 10,000 |
| RIG MOVE | | | | | 402 | 25,000 | 0 | | | 11 | 25,000 |
| FOOTAGE COST | | | | | 403 | 75,000 | 0 | | | , | 75,000 |
| DAY WORK COST BITS & BHA | | | | | 404 405 | 590,000 145,000 | 0 | | 0 | | 590,000 145,000 |
| COMP-BITS & PHA | | | | | 405 | 0 | 0 | | 0 | 0 | 17,500 |
| COMP - FUEL FUEL | | | | | 406 | 0 | 0 | , | 0 | ., | 307,500 |
| WATER | | | | | 406 407 | 140,000 5,000 | 0 | | 0 | | 140,000 520,000 |
| COMP-FLBK-CHEMICALS | | | | | 408 | 0 | 0 | | 0 | 0,000 | 3,000 |
| MUD & CHEMICALS CEMENTING & SERVICE | | | | | 408 409 | 325,000 210,000 | 0 | | 0 | | 325,000 210,000 |
| COMP- PERFORATING | | | | | 413 | 0 | 0 | | 0 | | 356,500 |
| COMP- STIMULATION | | | | | 414 | 0 | | | 0 | | 2,262,89 |
| COMP-TRANSPORTATION TRANSPORTATION | | | | | 415 415 | 0 37,500 | 0 | | 0 | , , | 24,000 37,500 |
| COMP-Completion Overhead | | | | | 416 | 07,300 | 0 | | 0 | | 7,500 |
| DRILLING OVERHEAD | | | | | 416 | 5,000 | 0 | | 0 | , | 5,000 |
| COMP-EQUIPMENT RENTAL FLBK-EQUIPMENT | | | | | 417 417 | 195,000 | 0 | | 3,000 | , , | 130,000 258,000 |
| RENT/OPERATIONS | | | | | 1 7.7 | 100,000 | | Ĭ | 0,000 | 00,000 | 200,000 |
| COMP-COMPLETION RIG | | | | | 418 | 0 | 0 | | 0 | | 5,000 |
| OTHER DRILLING EXPENSE COMP-ENVIRON & SAFETY CHARG | iES | | | | 419 421 | 5,000 | 0 | | 0 | , , | 5,000 20,000 |
| ENVIRONMENTAL & SAFETY | | | | | 421 | 5,000 | 0 | | 0 | | 5,000 |
| DIRECTIONAL DRILLING | | | | | 422 | 235,000 | 0 | | 0 | | 235,000 |
| COMP- SUPERVISION SUPERVISION | | | | | 424 424 | 150,000 | 0 | ., | 0 | | 125,000 150,000 |
| COMP- COMMUNICATIONS | | | | | 431 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| TUBULAR INSPECTION/HANDLING COMP-CASED HOLE LOGGING/TES | er. | | | | 436 438 | 5,000 | 0 | | 0 | | 6,000 7,500 |
| SPECIALTY SERVICES |) | | | | 441 | 150,000 | 0 | | 0 | | 165,000 |
| COMP-WIRELINE SERVICES | | | | | 442 | 0 | 0 | | 0 | | 8,500 |
| COMP-COIL TUBING/NITROGEN COMP-CONTRACT LABOR MISC | | | | | 445 446 | 0 | 0 | | 0 | | 175,000 17,500 |
| FLBK-DISPOSAL COSTS | | | | | 447 | 200,000 | 0 | | 0 | | 447,500 |
| COMP-COMPLETION FLUIDS | | | | | 448 | 0 | 0 | 7,500 | 0 | | 7,500 |
| TITLE OPINION-DRILL SITE COMP-FLOWBACK | | | | | 453 465 | 0 | 5,000 | 5,000 | 0 | | 5,000 105,000 |
| COMP-REUSE WATER | | | | | 480 | 0 | 0 | | | 100,000 | 135,000 |
| COMP-LAND ROW DRILLING | | | | | 482 | 0 | , | | | | 7,500 |
| COMP-LAND ROW COMPLETION COMP-LAND SURVEY & DAMAGES | | | | | 483 484 | 0 | 7,500 20,000 | 0 | 0 | 0 | 7,500 20,000 |
| DRILL | | | | | 404 | ľ | 20,000 | | | | 20,000 |
| COMP-LAND SURVEY & DAMAGES | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP COMP-REG-PERMIT FEE/ENV | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| SURV&ASSESS | | | | TOTAL | INTANGIBLES | \$2,592,500 | \$76,000 | | \$3,000 | | \$7,245,39 |
| | UOM | QTY | SIZE | SIZE GRADI | RATE | | | | | | |
| SURFACE CASING | | | - | | 102 | 40,000 | 0 | 0 | 0 | 0 | 40,000 |
| INTERMEDIATE CASING PRODUCTION CASING | | | | | 103 | 450,000 550.000 | 0 | | 0 | 0 | 450,000 |
| COMP-TUBING | | | | | 104 106 | 550,000 | 0 | | 0 | | 550,000 56,730 |
| WELLHEAD EQUIPMENT | | | | | 107 | 100,000 | 0 | | 0 | 0 | 182,500 |
| COMP-FAC-FLOW LINES COMP-FAC-VALVES & FITTINGS | | | | | 109 110 | 0 | 0 | | 112,000 31,000 | 0 | 112,000 31,000 |
| COMF-1 AC-VALVES & 111 TINGS | | | | | 110 | 1 | 0 | | 31,000 | U | 31,000 |
| COMP-VALVES & FITTINGS | | | | | 110 | 0 | 0 | ,,,, | 0 | 30,000 | 31,500 |
| COMP-PUMP EQUIP/SUBSURFACE | | | | 1 1 | 113 | 0 | 0 | 10,500 | 0 | 0 | 10,500 |
| COMP-FAC- | | | | | 115 | 0 | 0 | 0 | 135,000 | 0 | 135,000 |
| HEATERS,TREATRS,SEPRS | | | | | | | | | | | |
| COMP-FAC-METERING EQUIPMENT | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 94,000 | 0 | 94,000 |
| COST | | | | | | | | | | | |
| COMP-FAC-LABR/ELEC MEAS/AUTOMA | | | | | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 |
| COMP-FAC- | | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC | | | | \vdash | 11- | | <u> </u> | _ | 0.00- | | 2.5- |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | | | | + + | 415 421 | 0 | 0 | 0 | 3,000 2,500 | | 3,000 2,500 |
| & SAFETY | | | | | | | | | | | |
| COMP-FAC-ELECTRICAL LABOR | | | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| L LOIL | | | I | TOTA | L TANGIBLES | \$1,140,000 | \$0 | \$151,230 | \$410,500 | \$30,000 | \$1,731,73 |
| | | | | | TOTAL COST | | \$76,000 | | \$413,500 | | \$8,977,12 |
| | | | | | | | | | | | |
| Ву | | | Date | | | By Date | | | | | |
| | | | | OPERATOR APPRO | VAL | | | | | | |
| Firm : | | | Ву | | | Title | | | | Date | |
| | | | | | | | | | | | |



MIDLAND Printed 10/14/2021

AFE No. LS101459 Original

Property No. XXXXXX-000

EOG W.I.(BCP) (ACP)

EOG AFE Amt: (Drig) \$3,732,500

(Land) \$76,000

(Completion) \$4,319,621

(Facility) \$413,500

(Flowback) \$435,500

Total Cost \$8,977,121

| Reg. Lease No. : | | | Prospect Nan | Com #702H ne: RED HIL | LS | TVD / MD : | 12530 / 20030 | | Begin Date : | | |
|--|-------------------------|-------------|--------------|--|-------------|--------------------|-----------------|-------------------|------------------------|-----------------|---------------------------|
| Location : 2304' FSL 1225' F | WL, Section | 35, 24S-34E | | | - | | | #1): 100' FSL 102 | | | |
| Formation : WOLFCAMP | | | | | | DD&A Field : | | | | | |
| Operator : EOG RESOURCE | SINC | | County & Sta | te: LEA/NE | W MEXICO | | UNASSIGNED | l | Water Depth | : | |
| - | TO BE COM | PLETED IN T | | D2H D&C 12,530' TV IP FORMATION. TH CO., NM. | | | | Product : | OIL | Days : | 0 / 0 |
| | DESCRI | IPTION | | | SUB ACT | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURV | | | | | 401 | 90,000 | 0 | | 0 | | 97,500 |
| COMP-FLBK-LOCATION AND ROAD COMP-RIG MOVE | S | | | | 401 402 | 0 | 0 | | 0 | 10,000 | 10,000 |
| RIG MOVE | | | | | 402 | 25,000 | 0 | | | | 25,000 |
| FOOTAGE COST | | | | | 403 404 | 75,000 | 0 | 0 | 0 | | 75,000 |
| DAY WORK COST BITS & BHA | | | | | 404 | 590,000 145,000 | 0 | | 0 | | 590,000 145,000 |
| COMP-BITS & PHA | | | | | 405 | 0 | 0 | | 0 | 0 | 17,500 |
| COMP - FUEL FUEL | | | | | 406 406 | 0 140,000 | 0 | 300,000 | 0 | ., | 307,500 140,000 |
| WATER | | | | | 407 | 5,000 | 0 | | 0 | | 520,000 |
| COMP-FLBK-CHEMICALS | | | | | 408 | 0 | 0 | | 0 | 0,000 | 3,000 |
| MUD & CHEMICALS CEMENTING & SERVICE | | | | | 408 409 | 325,000 210,000 | 0 | | 0 | | 325,000 210,000 |
| COMP- PERFORATING | | | | | 413 | 0 | 0 | | 0 | | 356,500 |
| COMP- STIMULATION | | | | | 414 | 0 | 0 | | 0 | - | 2,262,89 |
| COMP-TRANSPORTATION TRANSPORTATION | | | | | 415 415 | 0 37,500 | 0 | | 0 | , , | 24,000 37,500 |
| COMP-Completion Overhead | | | | | 416 | 0 | 0 | | 0 | | 7,500 |
| DRILLING OVERHEAD | | | | | 416 | 5,000 | 0 | | 0 | Ů | 5,000 |
| COMP-EQUIPMENT RENTAL FLBK-EQUIPMENT | | | | | 417 417 | 195,000 | 0 | , | 3,000 | , , | 130,000 258,000 |
| RENT/OPERATIONS | | | | | | , | | | -, | | |
| COMP-COMPLETION RIG OTHER DRILLING EXPENSE | | | | | 418 419 | 5 000 | 0 | | 0 | | 5,000 5,000 |
| COMP-ENVIRON & SAFETY CHARG | ES | | | | 421 | 5,000 0 | 0 | | 0 | 0 | 20,000 |
| ENVIRONMENTAL & SAFETY | | | | | 421 | 5,000 | 0 | 0 | 0 | | 5,000 |
| DIRECTIONAL DRILLING COMP- SUPERVISION | | | | | 422 424 | 235,000 | 0 | | 0 | 0 | 235,000 125,000 |
| SUPERVISION | | | | | 424 | 150,000 | 0 | ., | 0 | | 150,000 |
| COMP- COMMUNICATIONS | | | | | 431 | 0 | 0 | | 0 | - | 3,000 |
| TUBULAR INSPECTION/HANDLING COMP-CASED HOLE LOGGING/TES | т | | | | 436 438 | 5,000 | 0 | | 0 | | 6,000 7,500 |
| SPECIALTY SERVICES | | | | | 441 | 150,000 | 0 | | 0 | | 165,000 |
| COMP-WIRELINE SERVICES | | | | | 442 | 0 | 0 | | 0 | | 8,500 |
| COMP-COIL TUBING/NITROGEN COMP-CONTRACT LABOR MISC | | | | | 445 446 | 0 | 0 | | 0 | | 175,000 17,500 |
| FLBK-DISPOSAL COSTS | | | | | 447 | 200,000 | 0 | | 0 | | 447,500 |
| COMP-COMPLETION FLUIDS | | | | | 448 | 0 | 0 F 000 | 7,500 | 0 | | 7,500 |
| TITLE OPINION-DRILL SITE COMP-FLOWBACK | | | | | 453 465 | 0 | 5,000 | 5,000 | 0 | | 5,000 105,000 |
| COMP-REUSE WATER | | | | | 480 | 0 | 0 | | | | 135,000 |
| COMP-LAND ROW DRILLING COMP-LAND ROW COMPLETION | | | | | 482 483 | 0 | 7,500 7,500 | | | \vdash | 7,500 7,500 |
| COMP-LAND SURVEY & DAMAGES | | | | | 484 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| DRILL | | | | | | | ., | _ | | | |
| COMP-LAND SURVEY & DAMAGES COMP | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP-REG-PERMIT FEE/ENV | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| SURV&ASSESS | | | | TOTAL I | NTANGIBLES | \$2,592,500 | \$76,000 | \$4,168,391 | \$3,000 | \$405,500 | \$7,245,39° |
| | UOM | QTY | SIZE | SIZE GRADE | RATE | | | | | 1 1 | |
| SURFACE CASING | | | | | 102 | 40,000 | 0 | | | | 40,000 |
| INTERMEDIATE CASING PRODUCTION CASING | | | | | 103 104 | 450,000 550.000 | 0 | | 0 | 0 | 450,000 550,000 |
| COMP-TUBING | | | | | 106 | 0 | 0 | | 0 | | 56,730 |
| WELLHEAD EQUIPMENT | | | | | 107 | 100,000 | 0 | | 0 | 0 | 182,500 |
| COMP-FAC-FLOW LINES COMP-FAC-VALVES & FITTINGS | | | | | 109 110 | 0 | 0 | 0 | 112,000 31,000 | 0 | 112,000 31,000 |
| | | | | | | ű | · | J | 01,000 | Ĭ | 01,000 |
| COMP-VALVES & FITTINGS | | | | | 110 | 0 | 0 | 1,500 | 0 | 30,000 | 31,500 |
| COMP-PUMP EQUIP/SUBSURFACE | | | | | 113 | 0 | 0 | 10,500 | 0 | 0 | 10,500 |
| COMP-FAC- | | | | | 115 | 0 | 0 | 0 | 135,000 | 0 | 135,000 |
| HEATERS,TREATRS,SEPRS COMP-FAC-METERING | | | | | 110 | 0 | 0 | 0 | 24.000 | | 24.00 |
| EQUIPMENT | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 94,000 | 0 | 94,000 |
| COST COMP-FAC-LABR/ELEC | | | | | 124 | 0 | 0 | 0 | 4.000 | 0 | 1,000 |
| MEAS/AUTOMA | | | | | 124 | 0 | U | | 1,000 | 1 | 1,000 |
| COMP-FAC- | | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC COMP-FAC-TRANSPORTATION | | | | | 415 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| COMP-FAC-ENVIRONMENTAL | | | | 1 | 421 | 0 | 0 | 0 | 2,500 | 0 | 2,500 |
| & SAFETY | | ļ | | | | | | | | | |
| COMP-FAC-ELECTRICAL LABOR | | | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| | | • | | | L TANGIBLES | . , , | \$0 \$76,000 | | \$410,500 \$413,500 | | \$1,731,730 \$8,977,12 |
| D. | | | Data | | | _ | , | | | 1 | , |
| Ву | | | Date | DED 4700 1007 | | By Date | | | | | |
| Firm . | JOINT OPERATOR APPROVAL | | | | | | | | D-4- | | |
| Firm : | | | Ву | | | Title | | | | Date | |



| MIDLAND | | Printed 10/14/2021 |
|---------------|--------------|--------------------|
| AFE No. | LS101460 | Original |
| Property No. | XXXXXX-000 | |
| EOG W.I.(BCP) | | (ACP) |
| EOG AFE Amt: | (Drlg) | \$3,732,500 |
| | (Land) | \$76,000 |
| | (Completion) | \$4,319,621 |
| | (Facility) | \$413,500 |
| | (Flowback) | \$435,500 |
| | Total Cost | \$8,977,121 |

| Reg. Lease No. : | | | Prospect Nan | ne: RED HI | LLS | TVD / MD : | 12530 / 20030 | | Begin Date : | | |
|--|-------------------------|-------------|---------------|--|---------------|-------------------------|---------------|-------------------|-------------------|-----------------|---------------------|
| Location : 2364' FSL 1315' F | WL, Section | 35, 24S-34E | | | | | | #1): 100' FSL 165 | | | |
| Formation : WOLFCAMP | | | | | | DD04 First | | | | | |
| Formation : WOLFCAMP Operator : EOG RESOURCE | SINC | | County & Sta | te: IFA/N | EW MEXICO | DD&A Field : Field : | UNASSIGNED | 1 | Water Depth | | |
| AFE Description : | Honey Buzza | PLETED IN T | State Com #70 | 03H D&C 12,530' T\ IP FORMATION. TH | /D TO 20,030' | MD IS A 1.5 MILI | E LATERAL | Product : | OIL | Days : | 0 / 0 |
| | DESCRI | PTION | | | SUB | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SUR\ | | | | | 401 | 90,000 | 0 | 7,500 | 0 | 0 | 97,500 |
| COMP-FLBK-LOCATION AND ROAD COMP-RIG MOVE | S | | | | 401 402 | 0 | 0 | | 0 | | 10,000 |
| RIG MOVE | | | | | 402 | 25,000 | 0 | | | | 25,000 |
| FOOTAGE COST | | | | | 403 | 75,000 | 0 | | | , | 75,000 |
| DAY WORK COST | | | | | 404 405 | 590,000 | 0 | | 0 | | 590,000 |
| BITS & BHA COMP-BITS & PHA | | | | | 405 | 145,000 | 0 | | 0 | 0 | 145,000 17,500 |
| COMP - FUEL | | | | | 406 | 0 | 0 | | 0 | | 307,500 |
| FUEL | | | | | 406 | 140,000 | 0 | | 0 | | 140,000 |
| WATER COMP-FLBK-CHEMICALS | | | | | 407 408 | 5,000 | 0 | | 0 | | 520,000 3,000 |
| MUD & CHEMICALS | | | | | 408 | 325,000 | 0 | | 0 | | 325,000 |
| CEMENTING & SERVICE | | | | | 409 | 210,000 | 0 | | 0 | , , | 210,000 |
| COMP- PERFORATING COMP- STIMULATION | | | | | 413 414 | 0 | 0 | , | 0 | | 356,500 2,262,89 |
| COMP-TRANSPORTATION | | | | | 415 | 0 | 0 | | 0 | | 24,000 |
| TRANSPORTATION | | | | | 415 | 37,500 | 0 | | 0 | | 37,500 |
| COMP-Completion Overhead DRILLING OVERHEAD | | | | | 416 416 | 5,000 | 0 | | 0 | , , | 7,500 5,000 |
| COMP-EQUIPMENT RENTAL | | | | | 417 | 3,000 | 0 | | 0 | | 130,000 |
| FLBK-EQUIPMENT | | | | | 417 | 195,000 | 0 | | 3,000 | 60,000 | 258,000 |
| RENT/OPERATIONS | | | | | | | | 5.000 | | | 5.00 |
| COMP-COMPLETION RIG OTHER DRILLING EXPENSE | | | | | 418 419 | 5,000 | 0 | | 0 | | 5,000 5,000 |
| COMP-ENVIRON & SAFETY CHARG | iES | | | | 421 | 0,000 | 0 | | 0 | | 20,000 |
| ENVIRONMENTAL & SAFETY | | | | | 421 | 5,000 | 0 | | 0 | | 5,000 |
| DIRECTIONAL DRILLING COMP- SUPERVISION | | | | | 422 424 | 235,000 | 0 | | 0 | | 235,000 125,000 |
| SUPERVISION | | | | | 424 | 150,000 | 0 | ., | 0 | | 150,000 |
| COMP- COMMUNICATIONS | | | | | 431 | 0 | 0 | | 0 | | 3,000 |
| TUBULAR INSPECTION/HANDLING COMP-CASED HOLE LOGGING/TES | `T | | | | 436 438 | 5,000 | 0 | | 0 | | 6,000 7,500 |
| SPECIALTY SERVICES | O I | | | | 436 | 150,000 | 0 | | 0 | | 165,000 |
| COMP-WIRELINE SERVICES | | | | | 442 | 0 | 0 | | 0 | | 8,500 |
| COMP-COIL TUBING/NITROGEN | | | | | 445 | 0 | | | 0 | | 175,000 |
| COMP-CONTRACT LABOR MISC FLBK-DISPOSAL COSTS | | | | | 446 447 | 200,000 | 0 | , | 0 | , and | 17,500 447,500 |
| COMP-COMPLETION FLUIDS | | | | | 448 | 0 | 0 | | 0 | | 7,500 |
| TITLE OPINION-DRILL SITE | | | | | 453 | 0 | 5,000 | 0 | 0 | | 5,000 |
| COMP-FLOWBACK COMP-REUSE WATER | | | | | 465 480 | 0 | 0 | -, | 0 | 100,000 | 105,000 135,000 |
| COMP-LAND ROW DRILLING | | | | | 482 | 0 | | 133,000 | | | 7,500 |
| COMP-LAND ROW COMPLETION | | | | | 483 | 0 | 7,500 | | | | 7,500 |
| COMP-LAND SURVEY & DAMAGES DRILL | | | | | 484 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP-LAND SURVEY & DAMAGES | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP | | | | | .00 | | 20,000 | | Ĭ | | 20,000 |
| COMP-REG-PERMIT FEE/ENV SURV&ASSESS | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| SURVAASSESS | | | | TOTAL | INTANGIBLES | \$2,592,500 | \$76,000 | \$4,168,391 | \$3,000 | \$405,500 | \$7,245,39° |
| | UOM | QTY | SIZE | SIZE GRADI | | | | | | | |
| SURFACE CASING INTERMEDIATE CASING | | | | | 102 103 | 40,000 450,000 | 0 | | 0 | | 40,000 450,000 |
| PRODUCTION CASING | | | | | 103 | 550.000 | 0 | | 0 | 0 | 550,000 |
| COMP-TUBING | | | | | 106 | 0 | 0 | , | 0 | | 56,730 |
| WELLHEAD EQUIPMENT | | | | | 107 | 100,000 | 0 | | 0 | 0 | 182,500 |
| COMP-FAC-FLOW LINES COMP-FAC-VALVES & FITTINGS | | | | | 109 110 | 0 | 0 | | 112,000 31,000 | 0 | 112,000 31,000 |
| | | | | | | <u> </u> | | _ | 2.,000 | | |
| COMP-VALVES & FITTINGS | | | | | 110 | 0 | 0 | ,,,, | 0 | 30,000 | 31,500 |
| COMP-PUMP EQUIP/SUBSURFACE | | | | | 113 | 0 | 0 | 10,500 | | 0 | 10,500 |
| COMP-FAC- | | | | | 115 | 0 | 0 | 0 | 135,000 | 0 | 135,000 |
| HEATERS,TREATRS,SEPRS | | | | | 4 | _ | | | | ļ., | |
| COMP-FAC-METERING EQUIPMENT | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 94,000 | 0 | 94,000 |
| COST | | | | | . | _ | | | | ļ., | |
| COMP-FAC-LABR/ELEC MEAS/AUTOMA | | | | | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 |
| COMP-FAC- | | | | | 128 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| INSTRUMENT/ELECTRIC | | | | $oxed{oxed}$ | _ | | | | | ļ | |
| COMP-FAC-TRANSPORTATION COMP-FAC-ENVIRONMENTAL | | | | + | 415 421 | 0 | 0 | 0 | 3,000 2,500 | | 3,000 2,500 |
| & SAFETY | | | | | 421 | | I | I | 2,500 | 1 | 2,300 |
| COMP-FAC-ELECTRICAL | | | | | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| LABOR | | | <u> </u> | TOT 4 | L TANGIBLES | \$1,140,000 | \$0 | \$151,230 | \$410,500 | \$30,000 | \$1,731,730 |
| | | | | 1012 | TOTAL COST | | \$76,000 | | \$413,500 | | \$8,977,12 |
| Dv. | | | Date | | | Bv. | | | | Data | |
| Ву | | | | ODEDATOR | N/A1 | By Date | | | | | |
| | JOINT OPERATOR APPROVAL | | | | | | | | | 5. | |
| Firm : | | | Ву | | | Title | | | | Date | |
| | | | | | | | | · | | | |



| MIDLAND | | Printed 10/14/2021 |
|---------------|--------------|--------------------|
| AFE No. | LS101461 | Original |
| Property No. | XXXXXX-000 | |
| EOG W.I.(BCP) | | (ACP) |
| EOG AFE Amt: | (Drlg) | \$3,732,500 |
| | (Land) | \$76,000 |
| | (Completion) | \$4,319,621 |
| | (Facility) | \$413,500 |
| | (Flowback) | \$435,500 |
| | Total Cost | \$8,977,121 |

| Reg. Lease No. : | | | Prospect Nan | ne: RED HII | LS | TVD / MD : | 12530 / 20030 | | Begin Date : | | |
|---|-------------|-------------|--|--|---------------------------|-------------------------|-----------------|-------------------|------------------------|-----------------|---------------------------|
| Location : 2364' FSL 1345' F | WL, Section | 35, 24S-34E | 1 | | | | | #1): 100' FSL 231 | | | |
| Formation : WOLFCAMP | | | | | | DD04 First | | | | | |
| Formation : WOLFCAMP Operator : EOG RESOURCE | SINC | | County & Sta | te: IFA/N | EW MEXICO | DD&A Field : Field : | UNASSIGNED | 1 | Water Depth | | |
| AFE Description : | Honey Buzza | PLETED IN T | State Com #70 | 04H D&C 12,530' T\ IP FORMATION. TH | /D TO 20,030' | MD IS A 1.5 MILI | E LATERAL | Product : | OIL | Days : | 0 / 0 |
| | DESCRI | IPTION | | | SUB ACT | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL |
| ACCESS LOCATION, ROADS&SURV | | | | | 401 | 90,000 | 0 | | 0 | | 97,500 |
| COMP-FLBK-LOCATION AND ROAD COMP-RIG MOVE | S | | | | 401 | 0 | | | 0 | | 10,000 |
| RIG MOVE | | | | | 402 402 | 25,000 | 0 | | 0 | 11 | 25,000 |
| FOOTAGE COST | | | | | 403 | 75,000 | 0 | | | | 75,000 |
| DAY WORK COST | | | | | 404 | 590,000 | 0 | | 0 | | 590,000 |
| BITS & BHA COMP-BITS & PHA | | | | | 405 405 | 145,000 | 0 | | 0 | 0 | 145,000 17,500 |
| COMP - FUEL | | | | | 406 | 0 | 0 | | 0 | | 307,500 |
| FUEL | | | | | 406 | 140,000 | 0 | | 0 | | 140,000 |
| WATER | | | | | 407 408 | 5,000 | 0 | | 0 | 11 | 520,000 3,000 |
| COMP-FLBK-CHEMICALS MUD & CHEMICALS | | | | | 408 | 325,000 | 0 | | 0 | | 325,000 |
| CEMENTING & SERVICE | | | | | 409 | 210,000 | 0 | | 0 | | 210,000 |
| COMP- PERFORATING | | | | | 413 | 0 | 0 | , | 0 | | 356,500 |
| COMP- STIMULATION COMP-TRANSPORTATION | | | | | 414 415 | 0 | 0 | | 0 | | 2,262,89° 24,000 |
| TRANSPORTATION | | | | | 415 | 37,500 | 0 | | 0 | | 37,500 |
| COMP-Completion Overhead | | | | | 416 | 0 | 0 | | 0 | , | 7,500 |
| DRILLING OVERHEAD COMP-EQUIPMENT RENTAL | | | | | 416 417 | 5,000 | 0 | | 0 | , and | 5,000 130,000 |
| FLBK-EQUIPMENT | | | | | 417 | 195,000 | 0 | | 3,000 | | 258,000 |
| RENT/OPERATIONS | | | | | | , | | | ., | | |
| COMP-COMPLETION RIG | | | | | 418 | 0 | 0 | | 0 | | 5,000 |
| OTHER DRILLING EXPENSE COMP-ENVIRON & SAFETY CHARG | ES | | | | 419 421 | 5,000 | 0 | | 0 | , , | 5,000 20,000 |
| ENVIRONMENTAL & SAFETY | | | | | 421 | 5,000 | 0 | | 0 | | 5,000 |
| DIRECTIONAL DRILLING | | | | | 422 | 235,000 | 0 | | 0 | 11 | 235,000 |
| COMP- SUPERVISION SUPERVISION | | | | | 424 424 | 150,000 | 0 | ., | 0 | | 125,000 150,000 |
| COMP- COMMUNICATIONS | | | | | 431 | 130,000 | 0 | | 0 | | 3,000 |
| TUBULAR INSPECTION/HANDLING | | | | | 436 | 5,000 | 0 | | 0 | | 6,000 |
| COMP-CASED HOLE LOGGING/TES | ST | | | | 438 | 150,000 | 0 | | 0 | , , | 7,500 |
| SPECIALTY SERVICES COMP-WIRELINE SERVICES | | | | | 441 442 | 150,000 | 0 | | 0 | | 165,000 8,500 |
| COMP-COIL TUBING/NITROGEN | | | | | 445 | 0 | | | 0 | | 175,000 |
| COMP-CONTRACT LABOR MISC | | | | | 446 | 0 | 0 | , | 0 | , | 17,500 |
| FLBK-DISPOSAL COSTS COMP-COMPLETION FLUIDS | | | | | 447 448 | 200,000 | 0 | | 0 | | 447,500 7,500 |
| TITLE OPINION-DRILL SITE | | | | | 453 | 0 | 5,000 | 0 | 0 | | 5,000 |
| COMP-FLOWBACK | | | | | 465 | 0 | | -, | 0 | 100,000 | 105,000 |
| COMP-REUSE WATER COMP-LAND ROW DRILLING | | | | | 480 482 | 0 | 7.500 | 135,000 | | | 135,000 |
| COMP-LAND ROW COMPLETION | | | | | 482 | 0 | 7,500 7,500 | | | | 7,500 7,500 |
| COMP-LAND SURVEY & DAMAGES | | | | | 484 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| DRILL | | | | | | | | | | | |
| COMP-LAND SURVEY & DAMAGES COMP | | | | | 485 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| COMP-REG-PERMIT FEE/ENV | | | | | 486 | 0 | 16,000 | 0 | 0 | 0 | 16,000 |
| SURV&ASSESS | | | | TOTAL | INTANGIBLES | \$2,592,500 | \$76,000 | \$4,168,391 | \$3,000 | \$405,500 | \$7,245,39° |
| | UOM | QTY | SIZE | SIZE GRADE | RATE | | | | | | |
| SURFACE CASING | | | | | 102 | 40,000 | 0 | 0 | 0 | 0 | 40,000 |
| INTERMEDIATE CASING | | | | | 103 | 450,000 | 0 | | 0 | | 450,000 |
| PRODUCTION CASING COMP-TUBING | | | | | 104 106 | 550,000 | 0 | | 0 | 0 | 550,000 56,730 |
| WELLHEAD EQUIPMENT | | | | | 107 | 100,000 | 0 | | 0 | 0 | 182,500 |
| COMP-FAC-FLOW LINES | | | | | 109 | 0 | 0 | | 112,000 | 0 | 112,000 |
| COMP-FAC-VALVES & FITTINGS | | | | | 110 | 0 | 0 | 0 | 31,000 | 0 | 31,000 |
| COMP-VALVES & FITTINGS | | | | | 110 | 0 | 0 | 1,500 | 0 | 30,000 | 31,500 |
| COMP-PUMP | | | | | 113 | 0 | 0 | 10,500 | 0 | 0 | 10,500 |
| EQUIP/SUBSURFACE COMP-FAC- | | | | + + - | 115 | 0 | 0 | 0 | 135,000 | 0 | 135,000 |
| HEATERS,TREATRS,SEPRS | | | | | 113 | ľ | | | 155,000 | | 100,000 |
| COMP-FAC-METERING | | | | | 118 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| EQUIPMENT COMP-FAC-CONSTRUCTION | | | | | 122 | 0 | 0 | 0 | 04.000 | 0 | 94,000 |
| COST | | | | | 122 | 1 | 0 | | 94,000 | U | 94,000 |
| COMP-FAC-LABR/ELEC | | | | | 124 | 0 | 0 | 0 | 1,000 | 0 | 1,000 |
| MEAS/AUTOMA COMP-FAC- | | | | | 128 | 0 | 0 | 0 | F 000 | 0 | F 000 |
| INSTRUMENT/ELECTRIC | | | | | 120 | | I | I | 5,000 | 1 | 5,000 |
| COMP-FAC-TRANSPORTATION | | | | | 415 | 0 | | 0 | -, | | 3,000 |
| COMP-FAC-ENVIRONMENTAL & SAFETY | | |] | | 421 | 0 | 0 | 0 | 2,500 | 0 | 2,500 |
| & SAFETY COMP-FAC-ELECTRICAL | | | | + + | 471 | 0 | 0 | 0 | 3,000 | 0 | 3,000 |
| LABOR | <u> </u> | <u></u> | <u> </u> | <u> </u> | | | | | 3,000 | | |
| | | | | TOTA | L TANGIBLES TOTAL COST | | \$0 \$76,000 | | \$410,500 \$413,500 | | \$1,731,730 \$8,977,12 |
| Dv. | | | Data | | | | | | | Data | |
| Ву | | | Date | DED 4=05 | | By Date | | | | | |
| | | | | OPERATOR APPRO | VAL | <u></u> | | | | <u> </u> | |
| Firm : | | | Ву | | | Title | | | | Date | |
| | | | | | | | | | | | |



| MIDLAND | Printed: | 10/18/2021 |
|---------------|--------------|-------------|
| AFE No. | 116293 | Original |
| Property No. | 142772-000 | |
| EOG W.I.(BCP) | (AC | P) |
| EOG AFE Amt: | (Drlg) | \$0 |
| | (Land) | \$0 |
| | (Completion) | \$0 |
| | (Facility) | \$1,931,680 |
| · | (Flowback) | \$0 |
| | Total Cost | \$1,931,680 |

| AFE Type: PRODUCTION FAC ON LEASE AFE Name: HONEY BU | | | | | | | AFE | Date : 10/1 | 18/2021 | Bud | Budget Year : 2021 | | |
|--|----------|--------|---------|---------|------------------|-------|-----------------|-------------|-------------------|----------------------------|--------------------|----------------------------|--|
| Reg. Lease No. : | | | Prospe | ct Name | : | | TVD | / MD : | | Beg | Begin Date : | | |
| Location : | | | | | | | BHL | ocation : | | • | | | |
| Formation : | | | | | | | DD8 | A Field : | | | | | |
| Operator : EOG RESOURCES I | NC | | County | & State | : LEA / N | EW ME | XICO Field | I : UNASSI | GNED | Wat | er Depth : | | |
| AFE Description : HONEY BUZ | ZARD 3 | 35 SOU | TH STAT | E COM | ств то ѕ | ERVIC | E: HONEY B | UZZARD 3 | 5 WELLS Pro | oduct : | Days | :0/0 | |
| DESCR | RIPTION | | , | | | SUB | DRILLING 230 | LAND 237 | COMPLETION 231 | FACILITY 235 | FLOWBACK 236 | TOTAL | |
| COMP-FAC-LOCATION AND RO | DADS | | | | | 401 | (| C | 0 | 91,300 | 0 | 91,300 | |
| COMP-FAC-PERMITTING/REPO FEES | ORTING | i | | | | 474 | (| | 0 | 2,130 | 0 | 2,130 | |
| COMP-FAC-ENVIRON CONSUL FEES | TING | | | | | 492 | (| C | 0 | 3,500 | 0 | 3,500 | |
| | | | | TOTA | L INTANG | IBLES | \$(| \$(| \$0 | \$96,930 | \$0 | \$96,930 | |
| | UOM | QTY | SIZE | SIZE | GRADE | RATE | | | | | | | |
| COMP-FAC-TANKS | | | | | | 108 | (| C | 0 | 179,500 | | 179,500 | |
| COMP-FAC-VALVES & FITTINGS | | | | | | 110 | (| C | 0 | 331,750 | 0 | 331,750 | |
| COMP-FAC-PUMP EQUIP/SURFACE | | | | | | 112 | (| (| 0 | 91,400 | 0 | 91,400 | |
| COMP-FAC-HEATERS,TREATE | S,SEPF | RS | | | | 115 | (| C | 0 | 163,000 | 0 | 163,000 | |
| COMP-FAC-OTHER EQUIPMENT | | | | | | 116 | (| C | 0 | 30,000 | 0 | 30,000 | |
| COMP-FAC-METERING EQUIPMENT | | | | | | 118 | (| C | 0 | 255,800 | 0 | 255,800 | |
| COMP-FAC-CONSTRUCTION COST | | | | | | 122 | (| C | 0 | 218,250 | 0 | 218,250 | |
| COMP-FAC-LABR/ELEC MEAS/AUTOMA | | | | | | 124 | (| C | 0 | 18,000 | 0 | 18,000 | |
| COMP-FAC-EMISSIONS EQUIPMENT | | | | | | 127 | (| C | 0 | 263,750 | 0 | 263,750 | |
| COMP-FAC-INSTRUMENT/ELE EQUIP | CTRIC | | | | | 128 | (| C | 0 | 143,050 | 0 | 143,050 | |
| COMP-FAC-WATER | | | | | | 407 | (| | 1 | 2,500 | | 2,500 | |
| COMP-FAC-TRANSPORTATION | ٧ | | | | | 415 | (| | • | 12,500 | _ | 12,500 | |
| COMP-FAC-FACILITY OVERHEAD | | | | | | 416 | (| | 0 | 25,000 | 0 | 25,000 | |
| COMP-FAC-ENVIRONMENTAL & SAFETY | | | | | | 421 | (| | | 1,250 | 0 | 1,250 | |
| COMP-FAC-POWER INSTALLATION | | | | | | 459 | (| | 0 | 9,000 | | 9,000 | |
| COMP-FAC-ELECTRICAL LABOR | | | | | | 471 | (| C | 0 | 90,000 | 0 | 90,000 | |
| | | | | ТОТ | AL TANG TOTAL | | \$(\$(| | | \$1,834,750 \$1,931,680 | | \$1,834,750 \$1,931,680 | |
| By Date | | | | | | | Ву | | | Dat | e | | |
| | | | JO | INT OPE | RATOR A | (PPRO | /AL | | | | | | |
| Firm : | <u> </u> | | Ву | | | | | Title | | | Date | | |
| | | | | | | | | | | | | | |

AFE Date : 10/18/2021

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

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22537

Honey Buzzard Chronology of Communication

| Party | Date | Reason |
|--------------|------------|--|
| All partners | 10/19/2021 | well proposals sent via email |
| All partners | 10/20/2021 | well proposals sent via certified mail |
| Sharbro | 10/21/2021 | sent spud date information |
| Sharbro | 10/21/2021 | sent ownership information |
| Sharbro | 11/16/2021 | Sharbro sent elections to participate |
| Oxy | 11/29/2021 | Sent follow up email and mentioned pooling |
| Oxy | 12/30/2021 | sent Oxy ownership information |
| Oxy | 1/4/2022 | Oxy confirmed a trade is preferable to participation; does not |
| | | plan on contesting pooling |
| Oxy | 1/11/2022 | sent Oxy trade idea |
| Oxy | 2/2/2022 | responded to additional trade ideas from Oxy |
| | | |

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

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

Case No. 22537

AFFIDAVIT OF TERRA GEORGE

Terra George, being first duly sworn upon oath, deposes and states as follows:

- 1. My name is Terra George, and I am employed by EOG Resources, Inc. ("EOG") as a Geologist.
- 2. I have previously testified before the New Mexico Oil Conservation Division ("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 record.
- 3. I am submitting this affidavit in support of EOG's application in the above-referenced case pursuant to 19.15.4.12.(A)(1) NMAC.
- 4. 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.
- 5. In this case, EOG is targeting three benches in the Bone Spring and one bench in the Wolfcamp Formations.
- 6. **EOG Exhibit D-1** is a base map of the lands showing the regional boundary for the proposed Bone Spring and Wolfcamp formation wells.
- 7. **EOG Exhibit D-2** is a subsea structure map that I prepared off the top of the Bone Spring Structure. Within Sections 35 and 2, there is a red box on the map outlining the spacing unit in this case. The contour interval is 100 feet. The structure map shows that the Bone Spring

Structure is dipping gently to the south-southeast. The structure appears consistent in these sections, and I do not observe any faulting, pinching, or other geologic hazards to developing a horizontal well.

- 8. **EOG Exhibit D-2** also shows the location of the 5 wells that were used to construct a cross-section from A to A'. I consider these wells to be representative of the geology of the Bone Spring Formation in this area.
- 9. **EOG Exhibit D-3** is a subsea structure map that I prepared off the top of the Wolfcamp. Within Sections 35 and 2, there is a red box on the map outlining the spacing unit in this case. The contour interval is 100 feet. The structure map shows that the Wolfcamp is dipping gently to the south-southeast. The structure appears consistent in these sections, and I do not observe any faulting, pinching, or other geologic hazards to developing a horizontal well.
- 10. **EOG Exhibit D-3** also shows the location of the 5 wells that were used to construct a cross-section from A to A'. I consider these wells to be representative of the geology of the Wolfcamp in this area. The same 5 wells are used to construct both the Bone Spring and the Wolfcamp cross-section exhibits.
- 11. **EOG Exhibit D-4** is a stratigraphic cross-section of the upper portion of the Bone Spring formation prepared by me with 5 representative wells from A to A'. The exhibit shows logs for gamma ray and resistivity for the wells. There are three proposed targeted intervals in the Bone Spring, each labeled and depicted with a blue arrow.
- 12. The logs in the cross-section demonstrate that each of the targeted intervals within the Bone Spring Formation is consistent in thickness across the unit
- 13. **EOG Exhibit D-5** is a stratigraphic cross-section of the lower Bone Spring formation and the upper Wolfcamp formation prepared by me with 5 representative wells from A

to A'. The exhibit shows logs for gamma ray and resistivity for the wells. The proposed targeted interval in the lower Bone Spring and in the Wolfcamp is labeled and depicted with blue arrows.

The logs in the cross-section demonstrate that the targeted interval within the Wolfcamp is

consistent in thickness across the unit.

14. Based on my geologic study of the area, I have not identified any geologic

impediments to drilling horizontal wells in the area in either the Bone Spring or Wolfcamp

Formations as requested in this case.

15. In my opinion, each tract in both the Bone Spring and the Wolfcamp formation

comprising the two proposed spacing units will be productive and contribute more or less equally

production from the wellbore.

16. In my opinion, the stand-up orientation of the proposed wells is the preferred

orientation for horizontal well development in this area and is appropriate to efficiently and

effectively develop the subject acreage.

17. **EOG Exhibit D-1** through **EOG Exhibit D-5** were either prepared by me or

compiled under my direction and supervision.

18. The granting of these applications is in the best interest of conservation, the

prevention of waste, and the protection of correlative rights, and will avoid the drilling of

unnecessary wells.

19. I hereby swear that to the best of my knowledge and belief, all of the matters set

forth herein and in the exhibits are true, correct, and accurate.

[Remainder of page left intentionally blank]

| FURTHER | AFFIANT | SAYETH NOT. |
|---------|----------------|-------------|
| | | |

Dated this 29th of March, 2022.

Terra George

EOG Resources, Inc.

STATE OF TEXAS

) SS.

COUNTY OF MIDLAND

The foregoing instrument was subscribed and sworn to before me this 29 day of 2022, by Terra George, Geologist for EOG Resources, Inc.

Witness my hand and official seal.

My commission expires: 3 7 2025

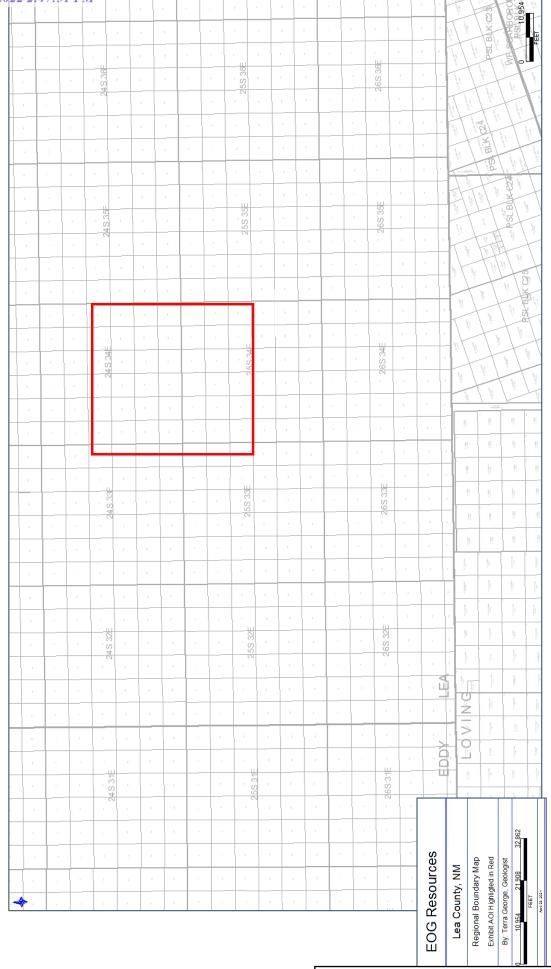
DEBBIE A. EVANS

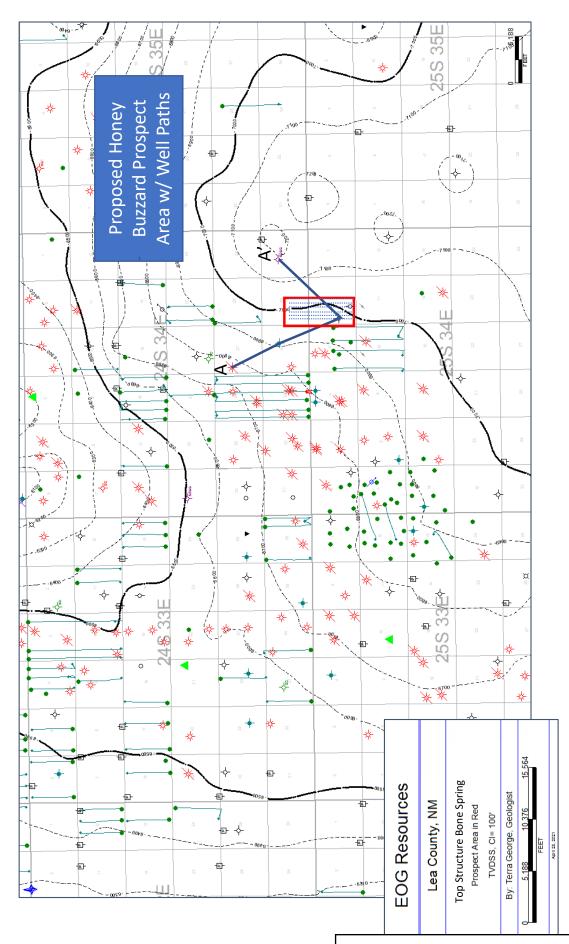
Notary Public, State of Texas

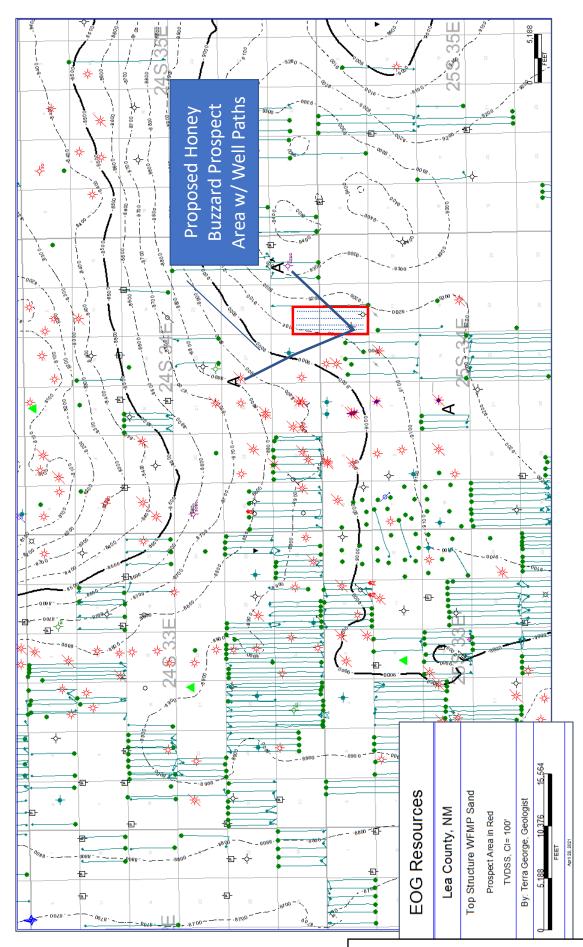
Comm. Expires 03-07-2025

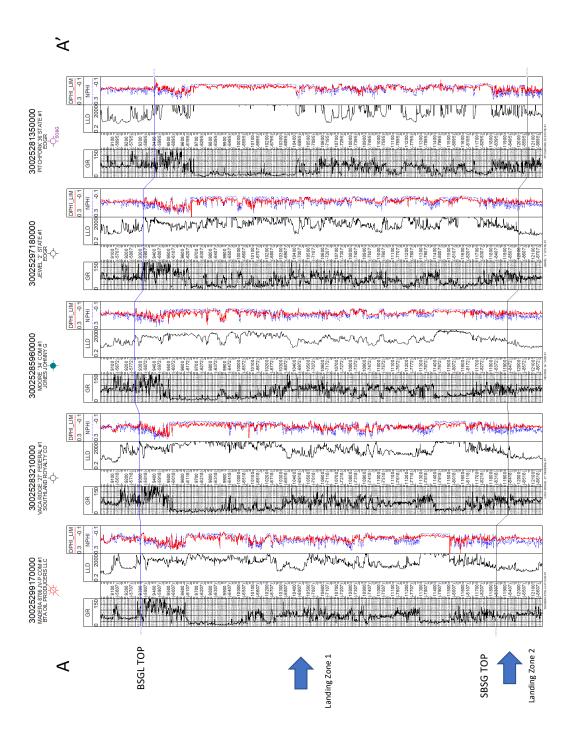
Notary ID 126341298

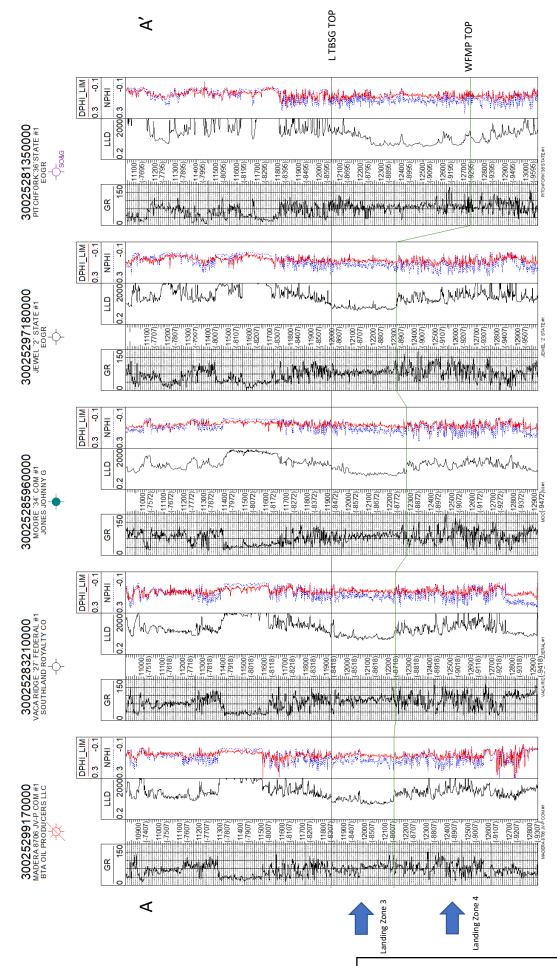
Oil Conservation Division Hearing - April 6, 2022 Case No. 22537 – EOG Resources Inc. – Exhibit D-1











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

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22537

AFFIDAVIT

STATE OF COLORADO) ss. CITY AND COUNTY OF DENVER)

James Parrot, 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.

James P. Pari t

SUBSCRIBED AND SWORN to before me on April 4, 2022 by James P. Parrot.

My commission expires:

Notary Public

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCTOBER 4, 2025

BEATTY & WOZNIAK, P.C.

ATTORNEYS AT LAW 1675 Broadway, Suite 600 DENVER, CO 80202 TELEPHONE 303-407-4499 FAX 1-800-886-6566 www.bwenergylaw.com

OFFICE LOCATIONS COLORADO NEW MEXICO

TEXAS

Utah

WYOMING

JOBY RITTENHOUSE

(303) 407-4457 JRITTENHOUSE@BWENERGYLAW.COM

February 1, 2021

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Applications of EOG Resources, Inc. for compulsory pooling, Lea County, New

Mexico

Honey Buzzard 35 South State Com # 301H, #302H, #303H, #401H, #402H, #601H, #602H, #701H, #702H, #703H, and #704H Wells (Case No. 22537)

Dear Interest Owners:

This letter is to advise you that EOG Resources, Inc. ("EOG") has filed the enclosed application, Case No. 22537, with the New Mexico Oil Conservation Division for compulsory pooling of the Bone Spring and Wolfcamp Formations involving the Honey Buzzard 35 South State Com #301H, #302H, #303H, #401H, #402H, #601H, #602H, #701H, #702H, #703H, and #704H Wells ("Wells").

In Case No. 22537, EOG plans to pool the W½ of Section 26 and the NW¼ of Section 35, Township 24 South, Range 34 East, N.M.P.M., Lea County, New Mexico, a standard unit encompassing 480 acres, more or less, dedicated to the Wells.

A hearing has been requested before a Division Examiner on March 3, 2022, and the status of the hearing can be monitored through the Division's website. Division hearings will commence at 8:15 a.m., traditionally in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. However, under the COVID-19 Public Health Emergency, the hearing will be conducted remotely. For about remote access, you visit the Division's website information can https://www.emnrd.nm.gov/ocd/hearing-info/ or call (505) 476-3441.

You are being notified as an interest owner and 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.

BEATTY & WOZNIAK, P.C.

February 1, 2022 Case No. 22537 Page 2

Parties appearing in cases are required by Division Rule 19.15.4.13.B NMAC to file a Prehearing Statement at least four business days in advance of a scheduled hearing, but in no event later than 5 p.m. mountain time on the Thursday preceding the scheduled hearing date. This statement must be filed at the Division's Santa Fe office at the above specified address 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 Laci Stretcher at (432) 247-6362 or at Laci Stretcher@eogresources.com.

Sincerely,

Jobediah Rittenhouse

Attorney for EOG Resources, Inc.

APPLICATION OF EOG RESOURCES, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22537

Honey Buzzard 35 South State Com #301H Honey Buzzard 35 South State Com #302H Honey Buzzard 35 South State Com #303H Honey Buzzard 35 South State Com #401H Honey Buzzard 35 South State Com #402H Honey Buzzard 35 South State Com #601H Honey Buzzard 35 South State Com #602H Honey Buzzard 35 South State Com #701H Honey Buzzard 35 South State Com #702H Honey Buzzard 35 South State Com #703H Honey Buzzard 35 South State Com #704H

Postal Delivery Report

Oxy Y-1 Company P.O. Box 27570 Houston, TX 77227-7570

Sharbro Energy LLC P.O. Box 840 Artesia, NM 88211-0840 *Sharbro has indicated they will participate.

| SENDER: COMPLETE THIS SECTION | COMPLETE THIS SECTION ON DELIVERY | | |
|--|--|--|--|
| Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. | A. Signature X | | |
| Article Addressed to: | D. Is defivery address different from item 1? Yes If YES, enter delivery address below: No | | |
| 2039-786 (22537) Oxy Y-1 Company P.O. Box 27570 Houston, TX 77227-7570 | Dax Section | | |
| 9590 9402 6736 1060 6046 18 | 3. Service Type Priority Mail Express® Adult Signature Registered Mail* Restricted Delivery Registered Mail* Restricted Delivery Registered Mail* Restricted Delivery Signature Confirmation* Signature Confirmation Restricted Delivery Restricted Delive | | |
| 2. Article Number (Transfer from service label) 7021 0350 0002 0272 6946 Restricted Delivery | | | |
| PS Form 3811, July 2020 PSN 7530-02-000-9053 | Domestic Return Receipt | | |

Returned Green Certified cards - EOG Honey Buzzard 35 Wells Application Case no. 22537