

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MAY 06, 2021**

CASE No. 21670

GALLEON 21 FED #301H, #301H, #303H WELLS

LEA COUNTY, 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. 21670

AMENDED AFFIDAVIT OF LACI STRETCHER

Laci Stretcher, of lawful age and being first duly sworn, declares as follows:

1. My name is Laci Stretcher. I work for EOG Resources, Inc. (“EOG”) as a Landman.
2. I have previously testified before the New Mexico Oil Conservation 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 familiar with the application filed by EOG in this case, and I am familiar with the status of the lands in the subject area.
4. In **Case No. 21670**, EOG is seeking an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 of Section 21, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.
5. EOG seeks to dedicate this spacing unit to the following proposed initial wells:
 - the **Galleon 21 Fed #301H well** (API No. 30-025-47272) and the **Galleon 21 Fed #302H well** (API No. 30-025-47273), to be drilled from a common surface hole location in SW/4 SW/4 (Unit M) of said Section 21 to bottom hole locations in the NW/4 NW/4 (Unit D) of said Section 21; and

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: EOG Resources, Inc.
Hearing Date: May 06, 2021
Case No. 21670**

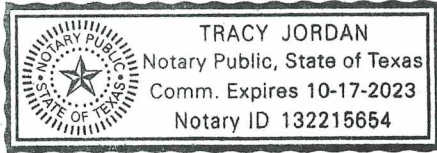
- the **Galleon 21 Fed #303H well** (API No. 30-025-47274), to be drilled from a surface hole location in SW/4 SW/4 (Unit M) of said Section 21 to a bottom hole location in the NE/4 NW/4 (Unit C) of said Section 21.
6. **EOG Exhibit C-1** are the Form C-102s and reflects that these wells have been placed in the Red Hills; Bone Spring, North. The pool code is 96434.
 7. The completed interval for the proposed **Galleon 21 Fed #302H well** will remain within 330 feet of the quarter-quarter line separating the W/2 W/2 from the E/2 W/2 of Section 21 to allow inclusion of this acreage into a standard 320-acre horizontal well spacing unit.
 8. There are no depth severances in the Bone Spring formation underlying the subject acreage.
 9. **EOG Exhibit C-2** contains a plat outlining the unit being pooled, identifies the tracts of land comprising the proposed spacing unit, and identifies the overriding royalty interests in the horizontal spacing unit that remain to be pooled in this case. The proposed spacing unit includes only federal lands.
 10. I provided the law firm of Holland & Hart LLP a list of names and addresses for each of the overriding royalty interest owners shown on **EOG Exhibit C-2**. In compiling these addresses, EOG conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. All parties were locatable.
 11. Finally, EOG requests an expedited order in this case because these wells are on EOG's drilling schedule in **May 2021**.
 12. **EOG Exhibits C-1** through **C-2** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Laci Stretcher
LACI STRETCHER

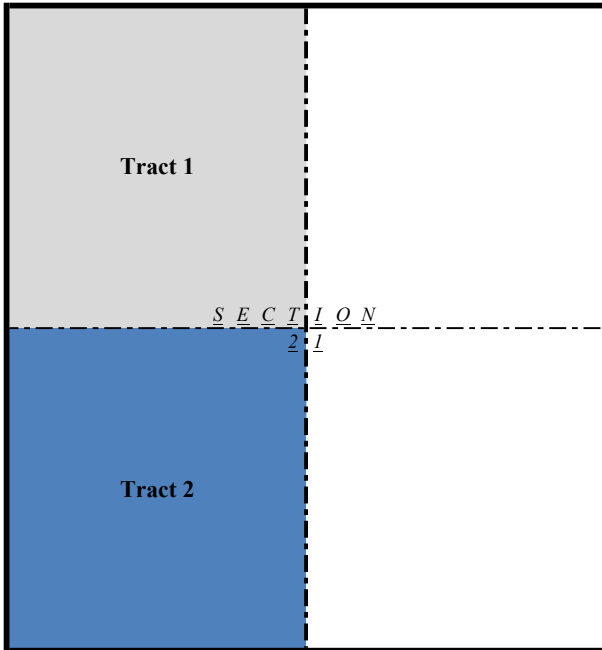
STATE OF TEXAS)
)
COUNTY OF MIDLAND)

SUBSCRIBED and SWORN to before me this 28th day of April 2021 by Laci Stretcher.



Tracy Jordan
NOTARY PUBLIC

My Commission Expires:
10-17-2023



PLAT

W/2 of Section 21, Township 24 South, Range 34 East, NMPM,
Lea County, New Mexico

LEGEND	
Tract 1	Section 21: NW/4
Tract 2	Section 21: SW/4

* Note: Tract lines are approximate

Exhibit C

Unit Summary

Client:	EOG Resources, Inc.				
Date:	May 11, 2020				
Unit:	W/2 of Section 21, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico				
Unit Acreage:	320.0000				
Formation:	All Depths				
Lease(s)	Royalty Interest Owner	Tract	Net Acres	Royalty	NRI
1A	United States of America	1	160.0000	12.5%	0.062500000
1B	United States of America	2	160.0000	12.5%	0.062500000
	Sub-Total:		320.0000		0.125000000
	Totals:		320.0000		0.125000000
Lease(s)	Working Interest Owner	Interest	Net Acres	Gross Working Interest	NRI
1A	EOG Resources, Inc. (1A)	100.0000%	160.0000	0.500000000	0.412500000
1B	Magnum Hunter Production, Inc. (1B)	100.0000%	160.0000	0.500000000	0.412500000
	Totals:		160.0000	0.500000000	0.825000000

Exhibit C

Unit Summary

Lease(s)	Overriding Royalty Interest Owner	ORRI No.	Formula			NRI
1A	Craig Allan Bales, dba Bales Oil & Gas	(1A)	160.0000	/	320.0000	x 0.000312500
1B	Craig Allan Bales, dba Bales Oil & Gas	(1B)	160.0000	/	320.0000	x 0.000312500
	Sub-Total:					0.000625000
1A	Craig A. Bales	(1A)	160.0000	/	320.0000	x 0.000104167
1B	Craig A. Bales	(1B)	160.0000	/	320.0000	x 0.000104167
	Sub-Total:					0.000208333
1A	David L. Schmidt	(1A)	160.0000	/	320.0000	x 0.000625000
1B	David L. Schmidt	(1B)	160.0000	/	320.0000	x 0.000625000
	Sub-Total:					0.001250000
1A	Rhonda R. Pace, as her separate property	(1A)	160.0000	/	320.0000	x 0.000312500
1B	Rhonda R. Pace, as her separate property	(1B)	160.0000	/	320.0000	x 0.000312500
	Sub-Total:					0.000625000
1A	Shanee Oil Company, Inc.	(1A)	160.0000	/	320.0000	x 0.000416667
1B	Shanee Oil Company, Inc.	(1B)	160.0000	/	320.0000	x 0.000416667
	Sub-Total:					0.000833333
1A	Burnett Partners	(1A)	160.0000	/	320.0000	x 0.000312500
1B	Burnett Partners	(1B)	160.0000	/	320.0000	x 0.000312500
	Sub-Total:					0.000625000
1A	Van Tettleton	(1A)	160.0000	/	320.0000	x 0.004218750
1B	Van Tettleton	(1B)	160.0000	/	320.0000	x 0.004218750
	Sub-Total:					0.008437500
1A	Burlington Resources Oil & Gas Company	(1A)	160.0000	/	320.0000	x 0.005000000
1B	Burlington Resources Oil & Gas Company	(1B)	160.0000	/	320.0000	x 0.005000000
	Sub-Total:					0.010000000
1A	Ken & Geri Griffin Properties LP.	(1A)	160.0000	/	320.0000	x 0.000312500
1B	Ken & Geri Griffin Properties LP.	(1B)	160.0000	/	320.0000	x 0.000312500

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Unit Summary

	Sub-Total:								0.000625000
1A	Ryan Pace	(1A)	160.0000	/	320.0000	x	0.000078125		
1B	Ryan Pace	(1B)	160.0000	/	320.0000	x	0.000078125		
	Sub-Total:								0.000156250
1A	Nuray K. Pace, Guardian of the Estate of Tara Nuray Pace, a minor	(1A)	160.0000	/	320.0000	x	0.000078125		
1B	Nuray K. Pace, Guardian of the Estate of Tara Nuray Pace, a minor	(1B)	160.0000	/	320.0000	x	0.000078125		
	Sub-Total:								0.000156250
1A	Nuray K. Pace, Guardian of the Estate of Aleyna Nur Pace, a minor	(1A)	160.0000	/	320.0000	x	0.000078125		
1B	Nuray K. Pace, Guardian of the Estate of Aleyna Nur Pace, a minor	(1B)	160.0000	/	320.0000	x	0.000078125		
	Sub-Total:								0.000156250
1A	Rhonda Pace Robertson, Guardian of the Estate of Clinton Harrison Pace, an	(1A)	160.0000	/	320.0000	x	0.000078125		
1B	Rhonda Pace Robertson, Guardian of the Estate of Clinton Harrison Pace, an incapacitated person	(1B)	160.0000	/	320.0000	x	0.000078125		
	Sub-Total:								0.000156250
1A	Millhollon Minerals & Royalty, LLC	(1A)	160.0000	/	320.0000	x	0.000416667		
1B	Millhollon Minerals & Royalty, LLC	(1B)	160.0000	/	320.0000	x	0.000416667		
	Sub-Total:								0.000833333
1A	PD III Exploration, Ltd	(1A)	160.0000	/	320.0000	x	0.001354165		
1B	PD III Exploration, Ltd	(1B)	160.0000	/	320.0000	x	0.001354165		
	Sub-Total:								0.002708331
1A	Merih Energy, LLC	(1A)	160.0000	/	320.0000	x	0.000541669		
1B	Merih Energy, LLC	(1B)	160.0000	/	320.0000	x	0.000541669		
	Sub-Total:								0.001083339

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1A	E.M. Thompson Corporation Profit Sharing Plan	(1A)	160.0000	/	320.0000	x	0.000249166
1B	E.M. Thompson Corporation Profit Sharing Plan	(1B)	160.0000	/	320.0000	x	0.000249166
	Sub-Total:						0.000498332
1A	Montego Capital Fund 3 LTD	(1A)	160.0000	/	320.0000	x	0.000541665
1B	Montego Capital Fund 3 LTD	(1B)	160.0000	/	320.0000	x	0.000541665
	Sub-Total:						0.001083331
1A	Santa Elena Minerals IV, L.P.	(1A)	160.0000	/	320.0000	x	0.005000000
1B	Santa Elena Minerals IV, L.P.	(1B)	160.0000	/	320.0000	x	0.005000000
	Sub-Total:						0.010000000
1A	McMullen Minerals, LLC	(1A)	160.0000	/	320.0000	x	0.000086667
1B	McMullen Minerals, LLC	(1B)	160.0000	/	320.0000	x	0.000086667
	Sub-Total:						0.000173334
1A	Pegasus Resources, LLC	(1A)	160.0000	/	320.0000	x	0.000996668
1B	Pegasus Resources, LLC	(1B)	160.0000	/	320.0000	x	0.000996668
	Sub-Total:						0.001993336
1A	Fortis Minerals II, LLC	(1A)	160.0000	/	320.0000	x	0.002187500
1B	Fortis Minerals II, LLC	(1B)	160.0000	/	320.0000	x	0.002187500
	Sub-Total:						0.004375000
1A	JST Troschinetz Corporation Profit Sharing Plan	(1A)	160.0000	/	320.0000	x	0.000292499
1B	JST Troschinetz Corporation Profit Sharing Plan	(1B)	160.0000	/	320.0000	x	0.000292499
	Sub-Total:						0.000584999
1A	Wells Fargo Bank, N.A., successor Trustee of the Sarah Ann Baker Special Needs Trust dated March 10, 1993	(1A)	160.0000	/	320.0000	x	0.000351563
1B	Wells Fargo Bank, N.A., successor Trustee of the Sarah Ann Baker Special Needs Trust dated March 10, 1993	(1B)	160.0000	/	320.0000	x	0.000351563

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Unit Summary

	Sub-Total:						0.000703125
1A	Wells Fargo Bank, N.A., successor Trustee of the Michael A. Baker Special Needs Trust dated March 10, 1993	(1A)	160.0000	/	320.0000	x	0.000351563
1B	Wells Fargo Bank, N.A., successor Trustee of the Michael A. Baker Special Needs Trust dated March 10, 1993	(1B)	160.0000	/	320.0000	x	0.000351563
	Sub-Total:						0.000703125
1A	TD Minerals, LLC	(1A)	160.0000	/	320.0000	x	0.000527344
1B	TD Minerals, LLC	(1B)	160.0000	/	320.0000	x	0.000527344
	Sub-Total:						0.001054688
1A	Pony - T Fund Partnership	(1A)	160.0000	/	320.0000	x	0.000175781
1B	Pony - T Fund Partnership	(1B)	160.0000	/	320.0000	x	0.000175781
	Sub-Total:						0.000351563
	Totals:						0.050000000
Recapitulation:							
	Royalty Interest						0.125000000
	Working Interest						0.825000000
	Overriding Royalty Interest						0.050000000
	Total:						1.000000000