RECEIVED:	REVIEWER:	TYPE:	APP NO:
09/15/21	LRL	NSL	pLEL2126530018

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Geological & Engineering Bureau –
1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: EOG Resources, Inc. **OGRID Number:** 7377
Well Name: Dragon 36 State #510H well **API:** 30-025-49283
Pool: RED HILLS;LOWER BONE SPRING Pool **Pool Code:** 51020

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]
A. Location – Spacing Unit – Simultaneous Dedication
☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]
[I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

FOR OCD ONLY
☐ Notice Complete
☐ Application Content Complete

2) **NOTIFICATION REQUIRED TO:** Check those which apply.
A. ☒ Offset operators or lease holders
B. ☒ Royalty, overriding royalty owners, revenue owners
C. ☐ Application requires published notice
D. ☐ Notification and/or concurrent approval by SLO
E. ☒ Notification and/or concurrent approval by BLM
F. ☐ Surface owner
G. ☒ For all of the above, proof of notification or publication is attached, and/or,
H. ☐ No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kaitlyn A. Luck
Print or Type Name

Signature

9/15/2021
Date

505-954-7286
Phone Number

kaluck@hollandhart.com
e-mail Address

Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

September 15, 2021

VIA ONLINE FILING

Adrienne Sandoval
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Dragon 36 State #510H well in the W/2 of Section 36, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

Dear Ms. Sandoval:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Dragon 36 State #510H well** (API No. 30-025-49283) to be completed within the RED HILLS;LOWER BONE SPRING Pool [51020], in a 320-acre, more or less, spacing unit underlying the W/2 of Section 36, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

This well is drilled and is to be completed as follows:

- the surface location is located 655 feet from the south line and 746 feet from the west line (Unit M) of Section 36,
- the bottom hole location is located 108 feet from the north line and 520 feet from the west line (Unit D) of Section 36,
- the first take point is located 100 feet from the south line and 244 feet from the west line (Unit M) of Section 36, and
- the last take point is located 108 feet from the north line and 520 feet from the west line (Unit D) of Section 36.

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than the standard offsets to the western boundary of the spacing unit at the first take point and encroaches on the SE/4 SE/4 of Section 35. Approval

of the unorthodox completed interval will allow EOG to use their preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

Exhibit A is a Form C-102 showing the completed interval of the proposed **Dragon 36 State #510H well** encroaches on the spacing unit/tracts to the west in Sections 35.

Exhibit B is a plat for Sections 35 and 36 that west the proposed **Dragon 36 State #510H well** in relation to adjoining spacing unit/tracts to the east.

Ownership is diverse between the subject spacing unit and the affected spacing unit to the west. **Exhibit C** includes the tracking information that reflects the "affected parties" were sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Type	Affected Party	Location	Date Sent
Operator/ Working Interest	EOG RESOURCES, INC.	SW/4SW/4 of Section 36	N/A
Royalty Interest	BUREAU OF LAND MANAGEMENT	SW/4SW/4 of Section 36	9/9/21

Exhibit D is a statement from a petroleum engineer providing justification for the needed exception.

Your attention to this matter is appreciated.

Sincerely,

Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

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

EXHIBIT - A

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

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]API Number	[2]Pool Code	[3]Pool Name
30-025-		

[4]Property Code	[5]Property Name	[6]Well Number
	DRAGON 36 STATE	510H

[7]OGRID No.	[8]Operator Name	[9]Elevation
7377	EOG RESOURCES, INC.	3492'

[10]Surface Location

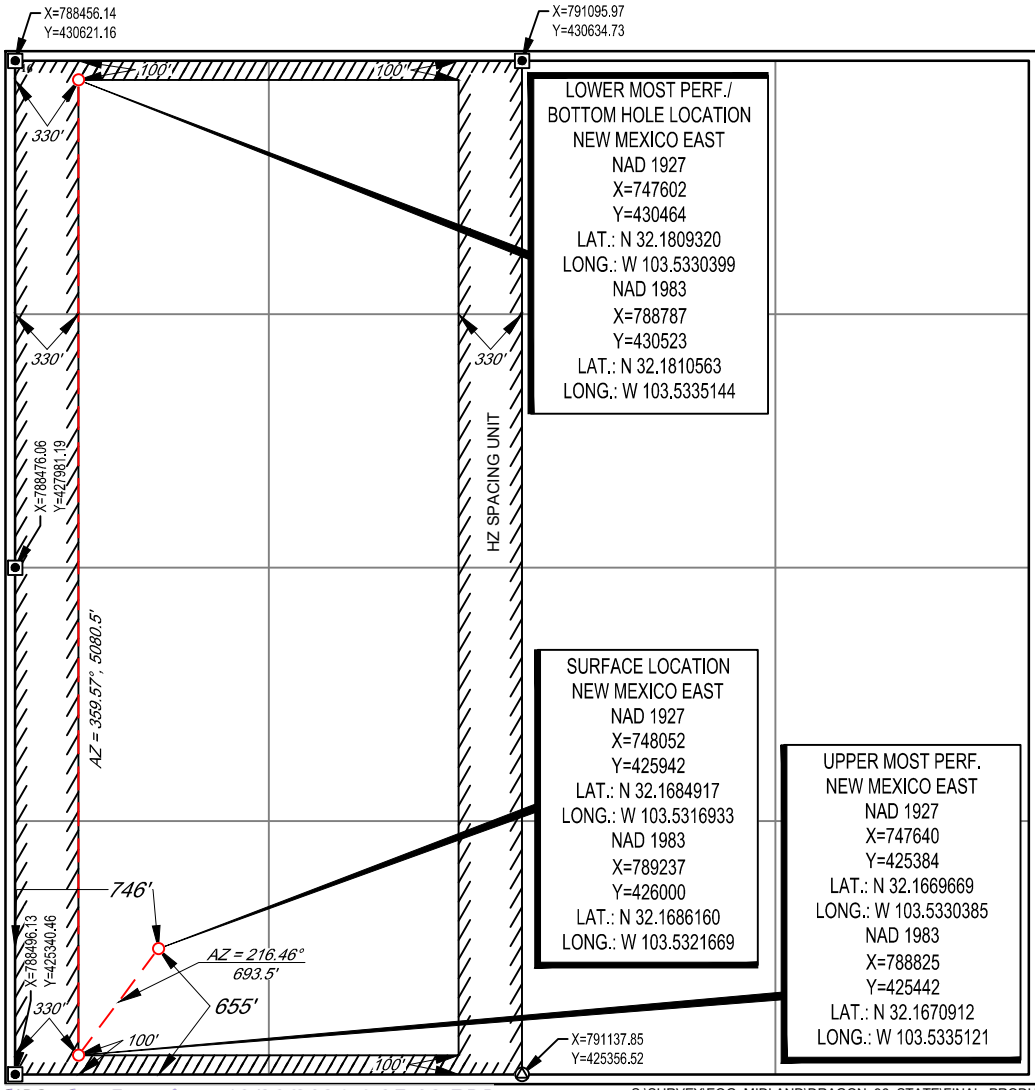
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	24-S	33-E	-	655'	SOUTH	746'	WEST	LEA

[11]Bottom 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
D	36	24-S	33-E	-	100'	NORTH	330'	WEST	LEA

[12]Dedicated Acres	[13]Joint or Infill	[14]Consolidation Code	[15]Order No.
320.00			

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.



[17]OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature Date

Printed Name

E-mail Address

[18]SURVEYOR CERTIFICATION

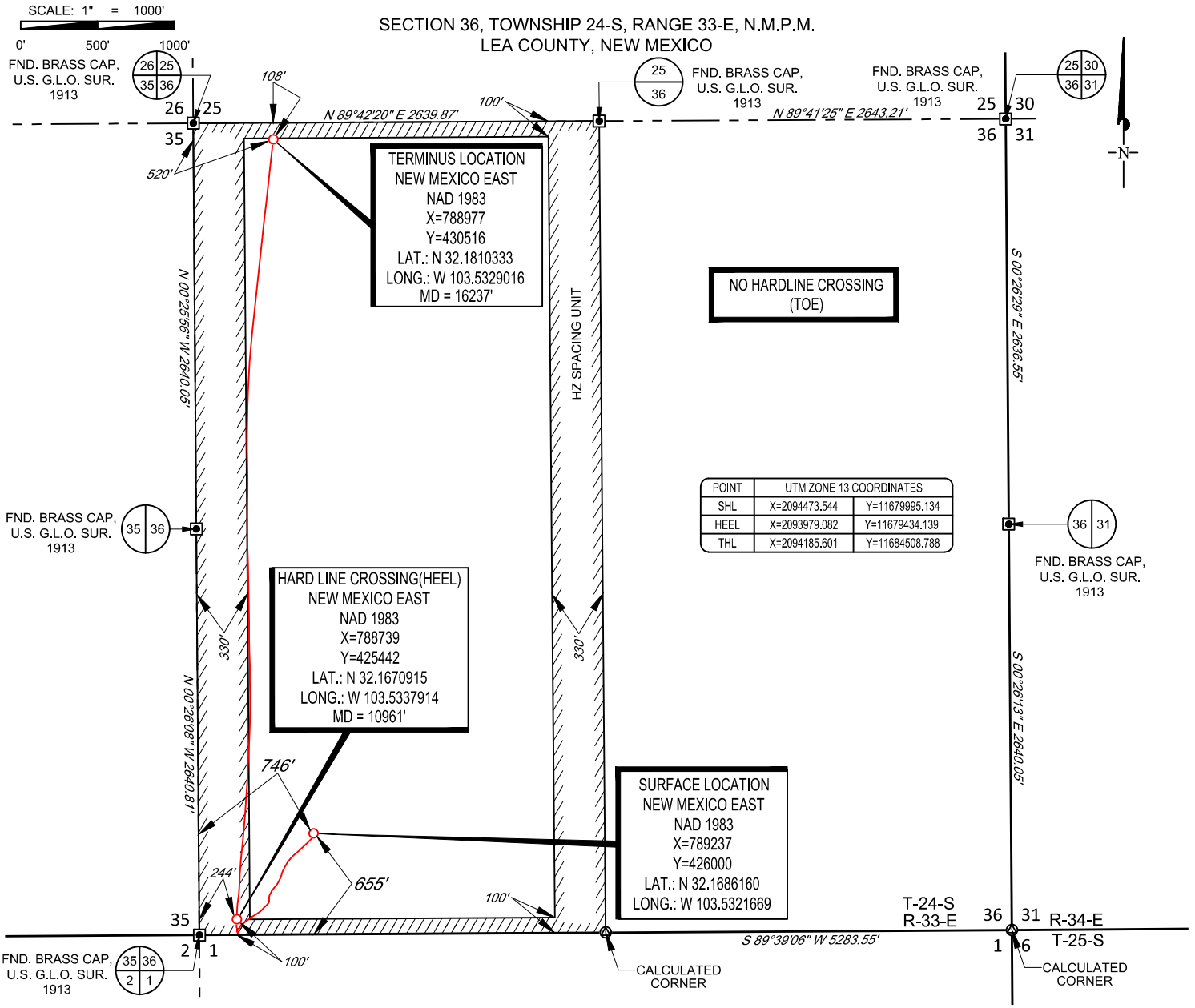
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

07/24/2021

Date of Survey
Signature and Seal of Professional Surveyor

RAMON A. DOMINGUEZ
NEW MEXICO
24508
PROFESSIONAL SURVEYOR

Certificate Number



POINT	UTM ZONE 13 COORDINATES	
SHL	X=2094473.544	Y=11679995.134
HEEL	X=2093979.082	Y=11679434.139
THL	X=2094185.601	Y=11684508.788

LEASE NAME & WELL NO.: HAWK 36 STATE 510H

SECTION 36 TWP 24-S RGE 33-E SURVEY N.M.P.M.

COUNTY LEA STATE NM ELEVATION 3492'

DESCRIPTION 655' FSL & 746' FWL

INTERNAL PRE-COMPLETION PLAT

TOPOGRAPHIC
LOYALTY INNOVATION LEGACY
1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
WWW.TOPOGRAPHIC.COM

eog resources, inc.

Ramon A. Dominguez, P.S. No. 24508
SEPTEMBER 8, 2021

HAWK 36 STATE 510H PRE-COMPLETION	REVISION:
DATE: 09/07/2021	
FILE: C_DRAGON_36_STATE_510H_REV1	
DRAWN BY: A.V.F.	
SHEET : 1 OF 1	

NOTES:
1. ORIGINAL DOCUMENT SIZE: 8.5" X 11"
2. ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREIN ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.
3. THIS WELL LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY EOG RESOURCES, INC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

Z:\SURVEY\EOG_MIDLAND\DRAGON_36_STATE\FINAL_PRODUCTS\C_DRAGON_36_STATE_510H_REV1.DWG 9/8/2021 10:03:59 AM eochoa

Offset Spacing Unit: EOG is the operator; notice provided the Bureau of Land Management

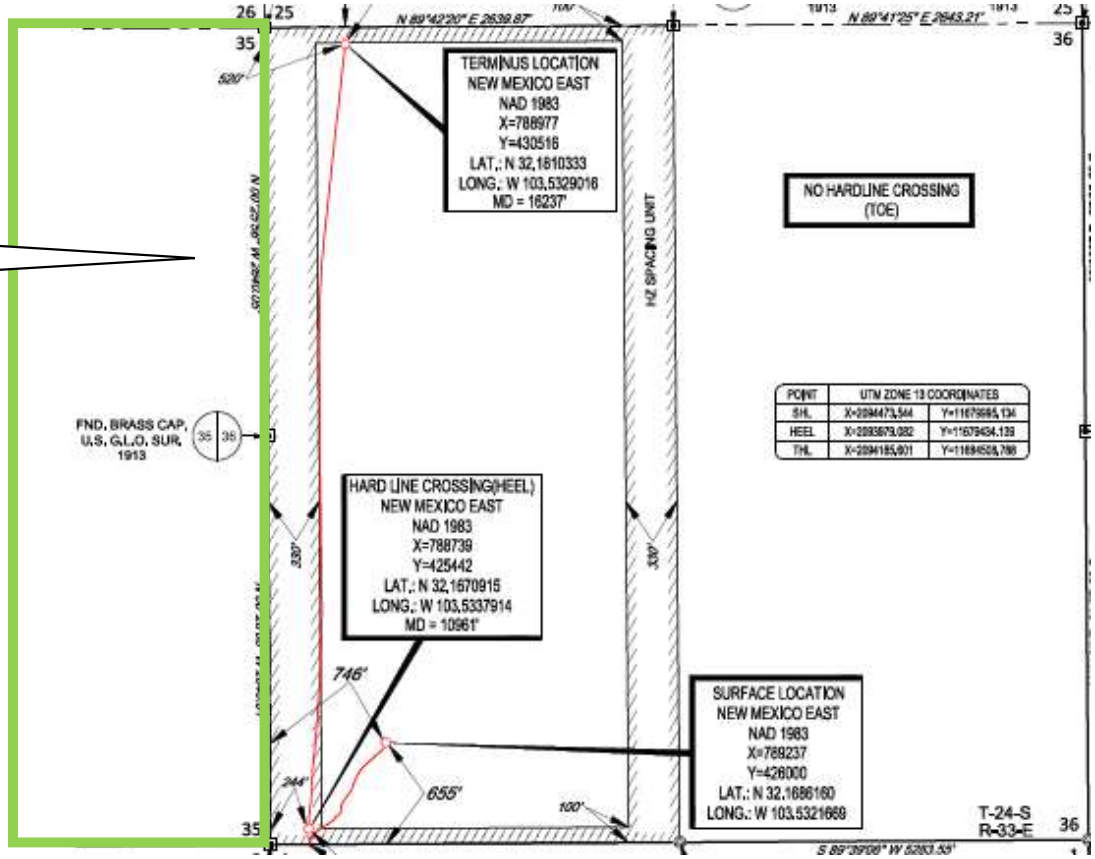


EXHIBIT - B

eog resources
P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

September 1, 2021

Certification of Ownership

I have reviewed the ownership of the oil and gas leasehold in Section 35 24S-33E, Lea County, New Mexico, for purposes of the unorthodox location for EOG's Dragon 36 State 510H well located in the SW/4SW/4 of Section 36-24S-33E. As of the date of this letter, the affected parties are:

1. EOG Resources, Inc.
   5509 Champions Dr.
   Midland, TX 79706

2. Bureau of Land Management
   301 Dinosaur Tr.
   Santa Fe, NM 87508

Sincerely,

EOG Resources, Inc.

Reece Cook
Senior Landman

EXHIBIT - C

HOLLAND&HART LLP

Kaitlyn A. Luck
Phone (505) 954-7286
kaluck@hollandhart.com

September 15, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Dragon 36 State #510H well in the W/2 of Section 36, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

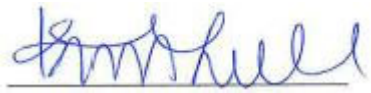
Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Reece Cook
EOG Resources, Inc.
(432) 686-3600
Reece_Cook@eogresources.com

Sincerely,



Kaitlyn A. Luck
ATTORNEY FOR EOG RESOURCES, INC.

Parent ID	Mail Date	Name	Delivery Address	City	ST	Zip	MailClass	TrackingNo	Well
31309	09/15/2021	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Certified with Return Receipt (Signature)	9414811898765854914286	71040 - EOG - Dragon 36 State 510H NSL Notice List - 1

eog resources
P.O. Box 2267, Midland, Texas 79702
Phone: (432) 686-3600 Fax: (432) 686-3773

September 1, 2021

Re: EOG Resources NSL Application
Dragon 36 State 510H

To whom it may concern:

Due to drilling complications, a portion of the Dragon 36 State 510H was drilled at a non-standard location in the Bonespring formation, specifically the Second Sand D2. The ability to complete the full lateral is expected to yield a higher ultimate recovery than just completing a portion of the lateral, thereby preventing waste and protecting correlative rights.

Sincerely,

David C. Sonka

EOG Resources
David Carlos Sonka
Reservoir Engineer

EXHIBIT - D

From: Kaitlyn A. Luck
To: Lowe, Leonard, EMNRD
Subject: [EXTERNAL] RE: NSL - EOG - Dragon Well No. 510H - HSU
Date: Monday, September 27, 2021 9:17:34 AM
Attachments: image001.png
Dragon 509 - 3002549282.pdf

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi, good morning – sorry for the delay on getting back to you about this. Here's the APD for the Dragon 509H well that is the defining well allowing for the spacing unit. Let me know if you have any other questions on this one, thanks!

Kaitlyn

Kaitlyn A. Luck – Associate I Holland & Hart LLP I (o) 505.954.7286 (m) 361.648.1973

From: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Sent: Thursday, September 23, 2021 3:42 PM
To: Kaitlyn A. Luck <KALuck@hollandhart.com>
Subject: NSL - EOG - Dragon Well No. 510H - HSU
Importance: High

External Email

Ms. Luck,

Good afternoon,

In review of your NSL application. The well's HSU 320 acres. The pool/formation has criteria of 80 acre spacing with 330 ft set backs.

It appears that you may be seeking a larger than allowed HSU for this well. Is this well an infill for a defining well that would accommodate this increase in spacing unit? If not then I believe an NSP application will need to be submitted for this well's increase HSU.

Leonard R. Lowe
Engineering Bureau
OCD - EMNRD
5200 Oakland Ave. NE
Albuquerque, N.M. 87113
C: 505-930-6717
http://www.emnrd.state.nm.us/ocd/

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011

Permit 299026

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address	2. OGRID Number
EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	7377
	3. API Number 30-025-49282

4. Property Code	5. Property Name	6. Well No.
39643	DRAGON 36 STATE	509H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	36	24S	33E	M	664	S	758	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	36	24S	33E	D	100	N	1290	W	Lea

9. Pool Information

RED HILLS;LOWER BONE SPRING	51020

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3491
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
N	16155	Lower Bone Spring		8/18/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ **We will be using a closed-loop system in lieu of lined pits**

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	16	13.375	54.5	1310	490	0
Int1	12.25	9.625	40	4000	750	0
Int1	12.25	9.625	40	5120	320	0
Prod	8.75	5.5	17	11502	620	0
Prod	8.5	5.5	17	16155	1330	4620

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

Signature:

OIL CONSERVATION DIVISION

Printed Name:	Electronically filed by Kay Maddox	Approved By:	Paul F Kautz	
Title:	Regulatory Agent	Title:	Geologist	
Email Address:	kay_maddox@eogresources.com	Approved Date:	8/4/2021	Expiration Date: 8/4/2023
Date:	8/3/2021 Phone: 432-686-3658	Conditions of Approval Attached		

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

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]API Number	[2]Pool Code	[3]Pool Name
30-025-49282	51020	Red Hills; Lower Bone Spring

[4]Property Code	[5]Property Name	[6]Well Number
39643	DRAGON 36 STATE	509H

[7]OGRID No.	[8]Operator Name	[9]Elevation
7377	EOG RESOURCES, INC.	3491'

[10]Surface Location

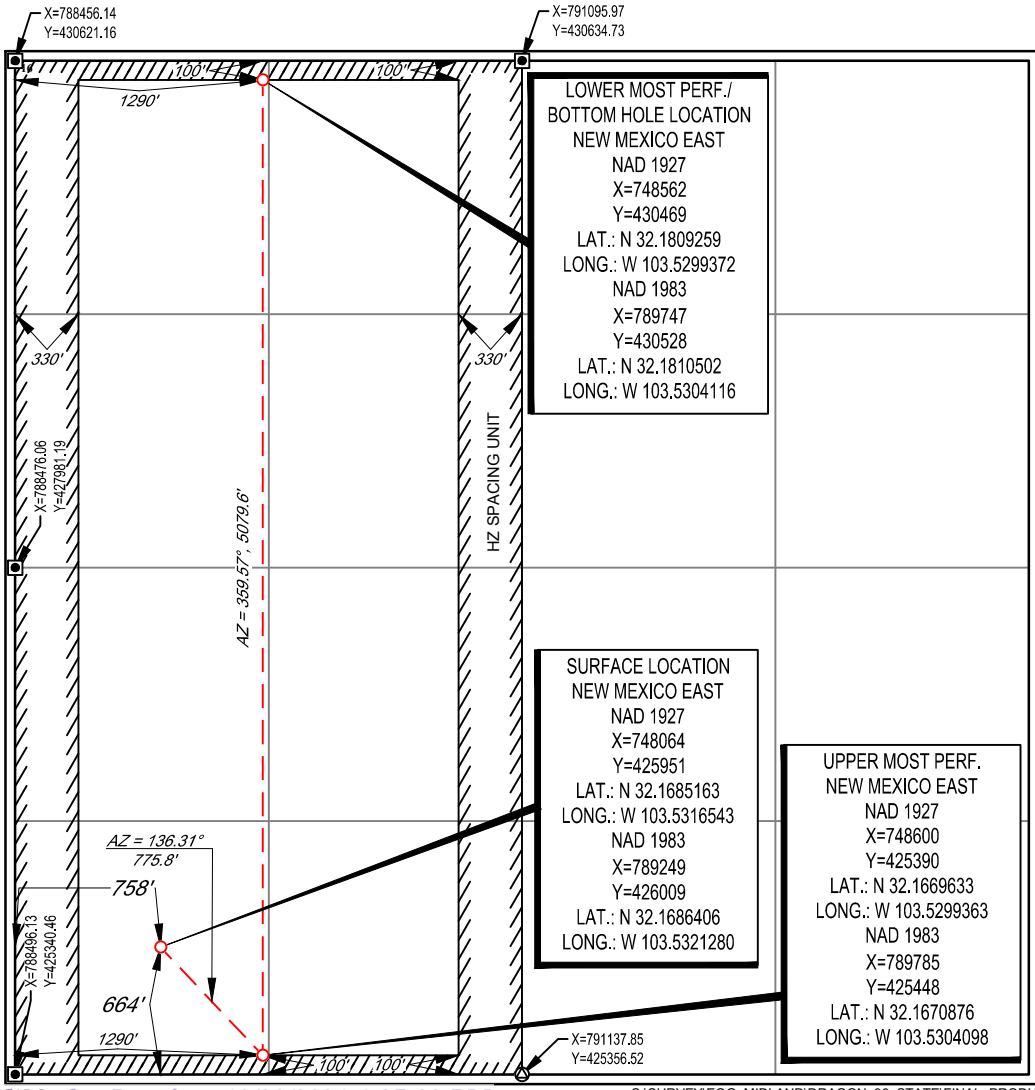
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	24-S	33-E	–	664'	SOUTH	758'	WEST	LEA

[11]Bottom 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
D	36	24-S	33-E	–	100'	NORTH	1290'	WEST	LEA

[12]Dedicated Acres	[13]Joint or Infill	[14]Consolidation Code	[15]Order No.
320.00			

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.



[17]OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Star L Harrell 8/2/2021
Signature Date

Star L Harrell
Printed Name

star_harrell@eogresources.com
E-mail Address

[18]SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

07/24/2021
Date of Survey
Signature and Seal of Professional Surveyor

RAMON A. DOMINGUEZ NEW MEXICO 24508 PROFESSIONAL SURVEYOR

Certificate Number

S:\SURVEY\EOG_MIDLAND\DRAGON_36_STATE\FINAL_PRODUCTS\LO_DRAGON_36_STATE_509H.DWG 7/30/2021 12:46:40 PM csmith5

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions

Permit 299026

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
EOG RESOURCES INC [7377] P.O. Box 2267 Midland, TX 79702	30-025-49282
	Well: DRAGON 36 STATE #509H

OCD Reviewer	Condition
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.

eog resources

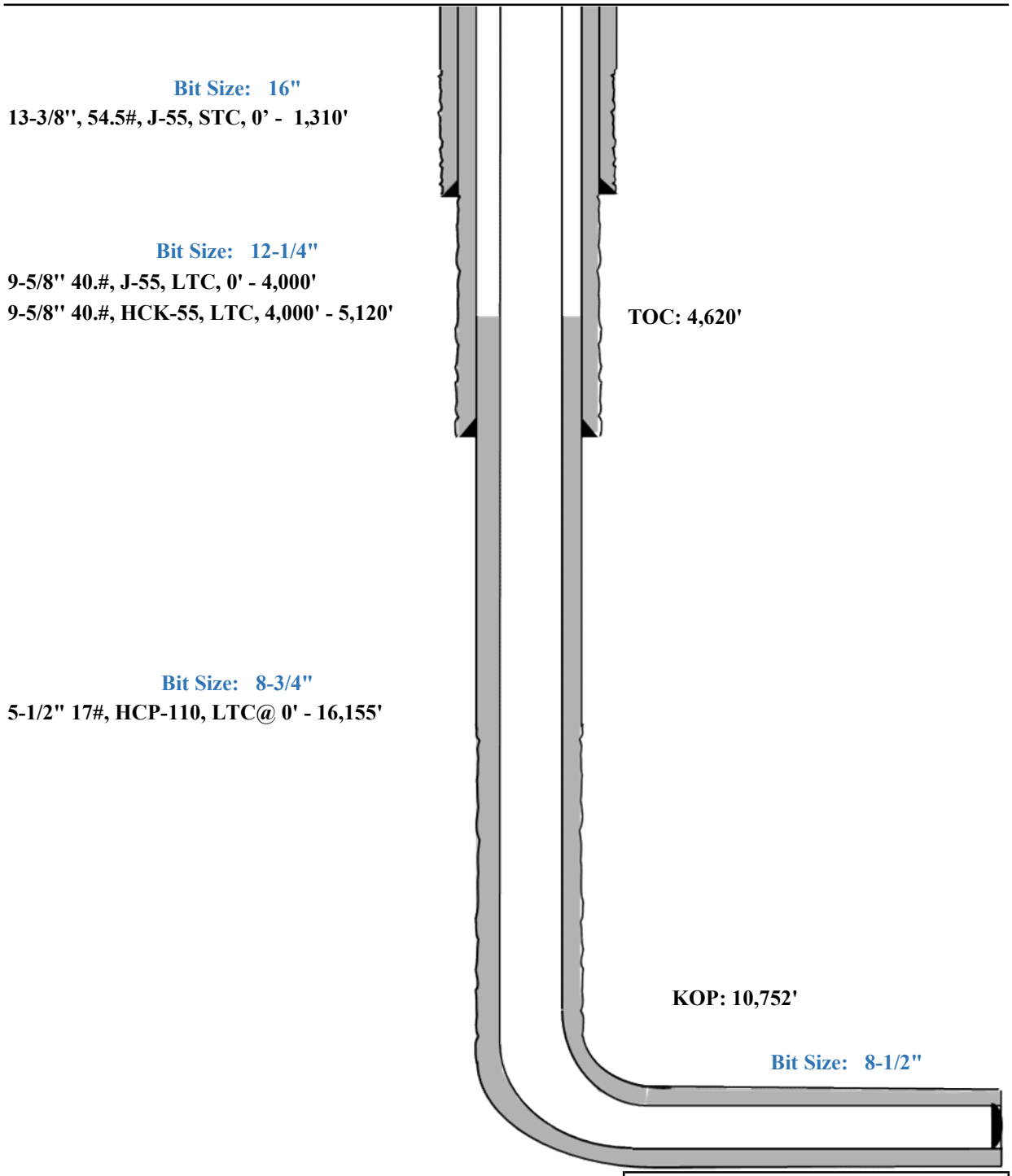
Dragon 36 State 509H

664' FSL
758' FWL
Section 36
T-24-S, R-33-E

Revised Wellbore

API: 30-0**-*****

KB: 3516'
GL: 3491'



eog resources

Dragon 36 State 509H

Permit Information:

Well Name: Dragon 36 State 509H

Location: SHL: 664' FSL & 758' FWL, Section 36, T-24-S, R-33-E, Lea Co., N.M.
BHL: 100' FNL & 1290' FWL, Section 36, T-24-S, R-33-E, Lea Co., N.M.

Casing Program:

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DFmin Collapse	DFmin Burst	DFmin Tension
16"	0' - 1,310'	13.375"	54.5#	J-55	STC	1.125	1.25	1.6
12.25"	0' - 4,000'	9.625"	40#	J-55	LTC	1.125	1.25	1.6
12.25"	4,000' - 5,120'	9.625"	40#	HCK-55	LTC	1.125	1.25	1.6
8.75"	0' - 11,502'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.6
8.5"	11,502' - 16,155'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.6

Cementing Program:

Depth	No. Sacks	Wt. ppg	Yld Ft3/sk	Slurry Description
1,310'	390	13.5	1.73	Lead: Class C + 4.0% Bentonite Gel + 0.5% CaCl2 + 0.25 lb/sk Cello-Flake (TOC @ Surface)
	100	14.8	1.34	Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
5,120'	750	12.7	2.22	Lead: Class C + 10% NaCl + 6% Bentonite Gel + 3% MagOx (TOC @ Surface)
	320	14.8	1.32	Tail: Class C + 10% NaCL + 3% MagOx
16,155'	620	11.0	3.21	Lead: Class C + 3% CaCl2 + 3% Microbond (TOC @ 4,620')
	1330	14.4	1.2	Tail: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% Microbond

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 1,310'	Fresh - Gel	8.6-8.8	28-34	N/c
1,310' – 5,120'	Brine	8.6-8.8	28-34	N/c
5,120' – 16,155' Lateral	Oil Base	8.8-9.5	58-68	N/c - 6

eog resources

Dragon 36 State 509H

Hydrogen Sulfide Plan Summary

A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.

B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.

C. Required Emergency Equipment:

■ Well control equipment
a. Flare line 150' from wellhead to be ignited by flare gun.
b. Choke manifold with a remotely operated choke.
c. Mud/gas separator

■ Protective equipment for essential personnel.
Breathing apparatus:
a. Rescue Packs (SCBA) — 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
b. Work/Escape packs —4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
c. Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:
a. Stretcher
b. Two OSHA full body harness
c. 100 ft 5/8 inch OSHA approved rope
d. 1-20# class ABC fire extinguisher

■ H2S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

■ Visual warning systems.
a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
c. Two wind socks will be placed in strategic locations, visible from all angles.

- Mud program:
  The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

- Metallurgy:
  All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

- Communication:
  Communication will be via cell phones and land lines where available.

eog resources

Dragon 36 State 509H

Emergency Assistance Telephone List

PUBLIC SAFETY:		**911 or**
Lea County Sheriff's Department		(575) 396-3611
Rod Coffman		
Fire Department:		
Carlsbad		(575) 885-3125
Artesia		(575) 746-5050
Hospitals:		
Carlsbad		(575) 887-4121
Artesia		(575) 748-3333
Hobbs		(575) 392-1979
Dept. of Public Safety/Carlsbad		(575) 748-9718
Highway Department		(575) 885-3281
New Mexico Oil Conservation		(575) 476-3440
U.S. Dept. of Labor		(575) 887-1174
EOG Resources, Inc.		
EOG / Midland	Office	(432) 686-3600
Company Drilling Consultants:		
David Dominque	Cell	(985) 518-5839
Mike Vann	Cell	(817) 980-5507
Drilling Engineer		
Esteban Del Valle	Cell	(432) 269-7063
Daniel Moose	Cell	(432) 312-2803
Drilling Manager		
Aj Dach	Office	(432) 686-3751
	Cell	(817) 480-1167
Drilling Superintendent		
Jason Townsend	Office	(432) 848-9209
	Cell	(210) 776-5131
H&P Drilling		
H&P Drilling	Office	(432) 563-5757
H&P 651 Drilling Rig	Rig	(903) 509-7131
Tool Pusher:		
Johnathan Craig	Cell	(817) 760-6374
Brad Garrett		
Safety:		
Brian Chandler (HSE Manager)	Office	(432) 686-3695
	Cell	(817) 239-0251

Midland

Lea County, NM (NAD 83 NME)
Dragon 36 State
#509H

OH

Plan: Plan #0.1

Standard Planning Report

03 August, 2021

eog resources

Planning Report

Database:	PEDM	**Local Co-ordinate Reference:**	Well #509H
Company:	Midland	**TVD Reference:**	KB = 25 @ 3516.0usft
Project:	Lea County, NM (NAD 83 NME)	**MD Reference:**	KB = 25 @ 3516.0usft
Site:	Dragon 36 State	**North Reference:**	Grid
Well:	#509H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.1		

Project Lea County, NM (NAD 83 NME)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site Dragon 36 State

Site Position:		**Northing:**	426,079.00 usft	**Latitude:**	32° 10' 7.510 N
From:	Map	**Easting:**	793,102.00 usft	**Longitude:**	103° 31' 10.836 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "		

Well #509H

Well Position	**+N/-S**	0.0 usft	**Northing:**	426,009.00 usft	**Latitude:**	32° 10' 7.103 N
	+E/-W	0.0 usft	**Easting:**	789,249.00 usft	**Longitude:**	103° 31' 55.666 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**	usft	**Ground Level:**	3,491.0 usft
Grid Convergence:		0.43 °				

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2020	8/3/2021	6.51	59.85	47,450.94314149

Design Plan #0.1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	6.29

Plan Survey Tool Program **Date** 8/3/2021

	Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.0	16,154.9	Plan #0.1 (OH)	EOG MWD+IFR1	
				MWD + IFR1	

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,678.8	7.58	138.74	1,677.7	-18.8	16.5	2.00	2.00	0.00	138.74	
7,464.9	7.58	138.74	7,413.3	-592.2	519.5	0.00	0.00	0.00	0.00	
7,843.7	0.00	0.00	7,791.0	-611.0	536.0	2.00	-2.00	0.00	180.00	
10,752.2	0.00	0.00	10,699.5	-611.0	536.0	0.00	0.00	0.00	0.00	KOP(Dragon 36 State
11,502.2	90.00	359.58	11,177.0	-133.6	532.5	12.00	12.00	-0.06	359.58	
16,154.9	90.00	359.58	11,177.0	4,519.0	498.0	0.00	0.00	0.00	0.00	PBHL(Dragon 36 Stat

eog resources

Planning Report

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Project:	Lea County, NM (NAD 83 NME)	**MD Reference:**	KB = 25 @ 3516.0usft
Site:	Dragon 36 State	**North Reference:**	Grid
Well:	#509H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	2.00	138.74	1,400.0	-1.3	1.2	-1.2	2.00	2.00	0.00
1,500.0	4.00	138.74	1,499.8	-5.2	4.6	-4.7	2.00	2.00	0.00
1,600.0	6.00	138.74	1,599.5	-11.8	10.3	-10.6	2.00	2.00	0.00
1,678.8	7.58	138.74	1,677.7	-18.8	16.5	-16.9	2.00	2.00	0.00
1,700.0	7.58	138.74	1,698.7	-20.9	18.3	-18.8	0.00	0.00	0.00
1,800.0	7.58	138.74	1,797.8	-30.8	27.0	-27.7	0.00	0.00	0.00
1,900.0	7.58	138.74	1,897.0	-40.7	35.7	-36.6	0.00	0.00	0.00
2,000.0	7.58	138.74	1,996.1	-50.6	44.4	-45.5	0.00	0.00	0.00
2,100.0	7.58	138.74	2,095.2	-60.5	53.1	-54.4	0.00	0.00	0.00
2,200.0	7.58	138.74	2,194.3	-70.4	61.8	-63.3	0.00	0.00	0.00
2,300.0	7.58	138.74	2,293.5	-80.4	70.5	-72.2	0.00	0.00	0.00
2,400.0	7.58	138.74	2,392.6	-90.3	79.2	-81.1	0.00	0.00	0.00
2,500.0	7.58	138.74	2,491.7	-100.2	87.9	-90.0	0.00	0.00	0.00
2,600.0	7.58	138.74	2,590.9	-110.1	96.6	-98.8	0.00	0.00	0.00
2,700.0	7.58	138.74	2,690.0	-120.0	105.3	-107.7	0.00	0.00	0.00
2,800.0	7.58	138.74	2,789.1	-129.9	114.0	-116.6	0.00	0.00	0.00
2,900.0	7.58	138.74	2,888.2	-139.8	122.7	-125.5	0.00	0.00	0.00
3,000.0	7.58	138.74	2,987.4	-149.7	131.4	-134.4	0.00	0.00	0.00
3,100.0	7.58	138.74	3,086.5	-159.6	140.0	-143.3	0.00	0.00	0.00
3,200.0	7.58	138.74	3,185.6	-169.5	148.7	-152.2	0.00	0.00	0.00
3,300.0	7.58	138.74	3,284.7	-179.5	157.4	-161.1	0.00	0.00	0.00
3,400.0	7.58	138.74	3,383.9	-189.4	166.1	-170.0	0.00	0.00	0.00
3,500.0	7.58	138.74	3,483.0	-199.3	174.8	-178.9	0.00	0.00	0.00
3,600.0	7.58	138.74	3,582.1	-209.2	183.5	-187.8	0.00	0.00	0.00
3,700.0	7.58	138.74	3,681.3	-219.1	192.2	-196.7	0.00	0.00	0.00
3,800.0	7.58	138.74	3,780.4	-229.0	200.9	-205.6	0.00	0.00	0.00
3,900.0	7.58	138.74	3,879.5	-238.9	209.6	-214.5	0.00	0.00	0.00
4,000.0	7.58	138.74	3,978.6	-248.8	218.3	-223.4	0.00	0.00	0.00
4,100.0	7.58	138.74	4,077.8	-258.7	227.0	-232.3	0.00	0.00	0.00
4,200.0	7.58	138.74	4,176.9	-268.6	235.7	-241.2	0.00	0.00	0.00
4,300.0	7.58	138.74	4,276.0	-278.6	244.4	-250.1	0.00	0.00	0.00
4,400.0	7.58	138.74	4,375.1	-288.5	253.1	-259.0	0.00	0.00	0.00
4,500.0	7.58	138.74	4,474.3	-298.4	261.8	-267.9	0.00	0.00	0.00
4,600.0	7.58	138.74	4,573.4	-308.3	270.4	-276.8	0.00	0.00	0.00
4,700.0	7.58	138.74	4,672.5	-318.2	279.1	-285.7	0.00	0.00	0.00
4,800.0	7.58	138.74	4,771.7	-328.1	287.8	-294.6	0.00	0.00	0.00
4,900.0	7.58	138.74	4,870.8	-338.0	296.5	-303.5	0.00	0.00	0.00
5,000.0	7.58	138.74	4,969.9	-347.9	305.2	-312.4	0.00	0.00	0.00
5,100.0	7.58	138.74	5,069.0	-357.8	313.9	-321.3	0.00	0.00	0.00
5,200.0	7.58	138.74	5,168.2	-367.7	322.6	-330.2	0.00	0.00	0.00

eog resources

Planning Report

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Site:	Dragon 36 State	**North Reference:**	Grid
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Wellbore:	OH		
Design:	Plan #0.1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0	7.58	138.74	5,267.3	-377.7	331.3	-339.1	0.00	0.00	0.00
5,400.0	7.58	138.74	5,366.4	-387.6	340.0	-348.0	0.00	0.00	0.00
5,500.0	7.58	138.74	5,465.5	-397.5	348.7	-356.9	0.00	0.00	0.00
5,600.0	7.58	138.74	5,564.7	-407.4	357.4	-365.8	0.00	0.00	0.00
5,700.0	7.58	138.74	5,663.8	-417.3	366.1	-374.7	0.00	0.00	0.00
5,800.0	7.58	138.74	5,762.9	-427.2	374.8	-383.6	0.00	0.00	0.00
5,900.0	7.58	138.74	5,862.1	-437.1	383.5	-392.5	0.00	0.00	0.00
6,000.0	7.58	138.74	5,961.2	-447.0	392.2	-401.4	0.00	0.00	0.00
6,100.0	7.58	138.74	6,060.3	-456.9	400.9	-410.3	0.00	0.00	0.00
6,200.0	7.58	138.74	6,159.4	-466.8	409.5	-419.2	0.00	0.00	0.00
6,300.0	7.58	138.74	6,258.6	-476.8	418.2	-428.1	0.00	0.00	0.00
6,400.0	7.58	138.74	6,357.7	-486.7	426.9	-437.0	0.00	0.00	0.00
6,500.0	7.58	138.74	6,456.8	-496.6	435.6	-445.9	0.00	0.00	0.00
6,600.0	7.58	138.74	6,555.9	-506.5	444.3	-454.8	0.00	0.00	0.00
6,700.0	7.58	138.74	6,655.1	-516.4	453.0	-463.7	0.00	0.00	0.00
6,800.0	7.58	138.74	6,754.2	-526.3	461.7	-472.6	0.00	0.00	0.00
6,900.0	7.58	138.74	6,853.3	-536.2	470.4	-481.5	0.00	0.00	0.00
7,000.0	7.58	138.74	6,952.5	-546.1	479.1	-490.4	0.00	0.00	0.00
7,100.0	7.58	138.74	7,051.6	-556.0	487.8	-499.3	0.00	0.00	0.00
7,200.0	7.58	138.74	7,150.7	-565.9	496.5	-508.2	0.00	0.00	0.00
7,300.0	7.58	138.74	7,249.8	-575.9	505.2	-517.1	0.00	0.00	0.00
7,400.0	7.58	138.74	7,349.0	-585.8	513.9	-526.0	0.00	0.00	0.00
7,464.9	7.58	138.74	7,413.3	-592.2	519.5	-531.7	0.00	0.00	0.00
7,500.0	6.87	138.74	7,448.1	-595.5	522.4	-534.7	2.00	-2.00	0.00
7,600.0	4.87	138.74	7,547.6	-603.2	529.2	-541.6	2.00	-2.00	0.00
7,700.0	2.87	138.74	7,647.4	-608.3	533.6	-546.2	2.00	-2.00	0.00
7,800.0	0.87	138.74	7,747.3	-610.7	535.8	-548.4	2.00	-2.00	0.00
7,843.7	0.00	0.00	7,791.0	-611.0	536.0	-548.6	2.00	-2.00	0.00
7,900.0	0.00	0.00	7,847.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,000.0	0.00	0.00	7,947.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,100.0	0.00	0.00	8,047.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,200.0	0.00	0.00	8,147.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,300.0	0.00	0.00	8,247.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,400.0	0.00	0.00	8,347.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,500.0	0.00	0.00	8,447.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,600.0	0.00	0.00	8,547.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,700.0	0.00	0.00	8,647.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,800.0	0.00	0.00	8,747.3	-611.0	536.0	-548.6	0.00	0.00	0.00
8,900.0	0.00	0.00	8,847.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,000.0	0.00	0.00	8,947.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,100.0	0.00	0.00	9,047.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,200.0	0.00	0.00	9,147.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,300.0	0.00	0.00	9,247.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,400.0	0.00	0.00	9,347.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,500.0	0.00	0.00	9,447.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,600.0	0.00	0.00	9,547.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,700.0	0.00	0.00	9,647.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,800.0	0.00	0.00	9,747.3	-611.0	536.0	-548.6	0.00	0.00	0.00
9,900.0	0.00	0.00	9,847.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,000.0	0.00	0.00	9,947.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,100.0	0.00	0.00	10,047.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,200.0	0.00	0.00	10,147.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,300.0	0.00	0.00	10,247.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,400.0	0.00	0.00	10,347.3	-611.0	536.0	-548.6	0.00	0.00	0.00

eog resources

Planning Report

Database:	PEDM	**Local Co-ordinate Reference:**	Well #509H
Company:	Midland	**TVD Reference:**	KB = 25 @ 3516.0usft
Project:	Lea County, NM (NAD 83 NME)	**MD Reference:**	KB = 25 @ 3516.0usft
Site:	Dragon 36 State	**North Reference:**	Grid
Well:	#509H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,500.0	0.00	0.00	10,447.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,600.0	0.00	0.00	10,547.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,700.0	0.00	0.00	10,647.3	-611.0	536.0	-548.6	0.00	0.00	0.00
10,752.2	0.00	0.00	10,699.5	-611.0	536.0	-548.6	0.00	0.00	0.00
KOP(Dragon 36 State #509H)									
10,775.0	2.74	359.58	10,722.3	-610.5	536.0	-548.1	12.00	12.00	0.00
10,800.0	5.74	359.58	10,747.2	-608.6	536.0	-546.2	12.00	12.00	0.00
10,825.0	8.74	359.58	10,772.0	-605.5	536.0	-543.1	12.00	12.00	0.00
10,850.0	11.74	359.58	10,796.6	-601.0	535.9	-538.7	12.00	12.00	0.00
10,875.0	14.74	359.58	10,820.9	-595.3	535.9	-533.0	12.00	12.00	0.00
10,900.0	17.74	359.58	10,844.9	-588.3	535.8	-526.1	12.00	12.00	0.00
10,925.0	20.74	359.58	10,868.5	-580.1	535.8	-517.9	12.00	12.00	0.00
10,950.0	23.74	359.58	10,891.7	-570.6	535.7	-508.5	12.00	12.00	0.00
10,975.0	26.74	359.58	10,914.3	-560.0	535.6	-497.9	12.00	12.00	0.00
11,000.0	29.74	359.58	10,936.3	-548.1	535.5	-486.2	12.00	12.00	0.00
11,025.0	32.74	359.58	10,957.7	-535.2	535.4	-473.3	12.00	12.00	0.00
11,050.0	35.74	359.58	10,978.4	-521.1	535.3	-459.3	12.00	12.00	0.00
11,075.0	38.74	359.58	10,998.3	-506.0	535.2	-444.3	12.00	12.00	0.00
11,100.0	41.74	359.58	11,017.3	-489.8	535.1	-428.3	12.00	12.00	0.00
11,125.0	44.74	359.58	11,035.6	-472.7	535.0	-411.3	12.00	12.00	0.00
11,150.0	47.74	359.58	11,052.8	-454.7	534.8	-393.3	12.00	12.00	0.00
11,150.5	47.80	359.58	11,053.2	-454.3	534.8	-393.0	12.00	12.00	0.00
FTP(Dragon 36 State #509H)									
11,175.0	50.74	359.58	11,069.2	-435.7	534.7	-374.5	12.00	12.00	0.00
11,200.0	53.74	359.58	11,084.5	-416.0	534.6	-354.9	12.00	12.00	0.00
11,225.0	56.74	359.58	11,098.7	-395.4	534.4	-334.5	12.00	12.00	0.00
11,250.0	59.74	359.58	11,111.9	-374.2	534.2	-313.4	12.00	12.00	0.00
11,275.0	62.74	359.58	11,123.9	-352.3	534.1	-291.6	12.00	12.00	0.00
11,300.0	65.74	359.58	11,134.8	-329.8	533.9	-269.3	12.00	12.00	0.00
11,325.0	68.74	359.58	11,144.5	-306.7	533.7	-246.4	12.00	12.00	0.00
11,350.0	71.74	359.58	11,152.9	-283.2	533.6	-223.0	12.00	12.00	0.00
11,375.0	74.74	359.58	11,160.1	-259.2	533.4	-199.3	12.00	12.00	0.00
11,400.0	77.74	359.58	11,166.1	-235.0	533.2	-175.1	12.00	12.00	0.00
11,425.0	80.74	359.58	11,170.7	-210.4	533.0	-150.8	12.00	12.00	0.00
11,450.0	83.74	359.58	11,174.1	-185.6	532.8	-126.2	12.00	12.00	0.00
11,475.0	86.74	359.58	11,176.2	-160.7	532.7	-101.4	12.00	12.00	0.00
11,502.2	90.00	359.58	11,177.0	-133.6	532.5	-74.4	12.00	12.00	0.00
11,600.0	90.00	359.58	11,177.0	-35.8	531.7	22.7	0.00	0.00	0.00
11,700.0	90.00	359.58	11,177.0	64.2	531.0	122.0	0.00	0.00	0.00
11,800.0	90.00	359.58	11,177.0	164.2	530.3	221.3	0.00	0.00	0.00
11,900.0	90.00	359.58	11,177.0	264.2	529.5	320.6	0.00	0.00	0.00
12,000.0	90.00	359.58	11,177.0	364.2	528.8	420.0	0.00	0.00	0.00
12,100.0	90.00	359.58	11,177.0	464.2	528.0	519.3	0.00	0.00	0.00
12,200.0	90.00	359.58	11,177.0	564.2	527.3	618.6	0.00	0.00	0.00
12,300.0	90.00	359.58	11,177.0	664.2	526.6	717.9	0.00	0.00	0.00
12,400.0	90.00	359.58	11,177.0	764.2	525.8	817.2	0.00	0.00	0.00
12,500.0	90.00	359.58	11,177.0	864.2	525.1	916.5	0.00	0.00	0.00
12,600.0	90.00	359.58	11,177.0	964.2	524.3	1,015.9	0.00	0.00	0.00
12,700.0	90.00	359.58	11,177.0	1,064.2	523.6	1,115.2	0.00	0.00	0.00
12,800.0	90.00	359.58	11,177.0	1,164.2	522.9	1,214.5	0.00	0.00	0.00
12,900.0	90.00	359.58	11,177.0	1,264.2	522.1	1,313.8	0.00	0.00	0.00
13,000.0	90.00	359.58	11,177.0	1,364.2	521.4	1,413.1	0.00	0.00	0.00
13,100.0	90.00	359.58	11,177.0	1,464.2	520.6	1,512.4	0.00	0.00	0.00
13,200.0	90.00	359.58	11,177.0	1,564.2	519.9	1,611.7	0.00	0.00	0.00

eog resources

Planning Report

Database:	PEDM	**Local Co-ordinate Reference:**	Well #509H
Company:	Midland	**TVD Reference:**	KB = 25 @ 3516.0usft
Project:	Lea County, NM (NAD 83 NME)	**MD Reference:**	KB = 25 @ 3516.0usft
Site:	Dragon 36 State	**North Reference:**	Grid
Well:	#509H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
13,300.0	90.00	359.58	11,177.0	1,664.2	519.1	1,711.1	0.00	0.00	0.00
13,400.0	90.00	359.58	11,177.0	1,764.2	518.4	1,810.4	0.00	0.00	0.00
13,500.0	90.00	359.58	11,177.0	1,864.2	517.7	1,909.7	0.00	0.00	0.00
13,600.0	90.00	359.58	11,177.0	1,964.2	516.9	2,009.0	0.00	0.00	0.00
13,700.0	90.00	359.58	11,177.0	2,064.2	516.2	2,108.3	0.00	0.00	0.00
13,800.0	90.00	359.58	11,177.0	2,164.2	515.4	2,207.6	0.00	0.00	0.00
13,900.0	90.00	359.58	11,177.0	2,264.2	514.7	2,306.9	0.00	0.00	0.00
14,000.0	90.00	359.58	11,177.0	2,364.2	514.0	2,406.3	0.00	0.00	0.00
14,100.0	90.00	359.58	11,177.0	2,464.2	513.2	2,505.6	0.00	0.00	0.00
14,200.0	90.00	359.58	11,177.0	2,564.2	512.5	2,604.9	0.00	0.00	0.00
14,300.0	90.00	359.58	11,177.0	2,664.2	511.7	2,704.2	0.00	0.00	0.00
14,400.0	90.00	359.58	11,177.0	2,764.2	511.0	2,803.5	0.00	0.00	0.00
14,500.0	90.00	359.58	11,177.0	2,864.2	510.3	2,902.8	0.00	0.00	0.00
14,600.0	90.00	359.58	11,177.0	2,964.2	509.5	3,002.1	0.00	0.00	0.00
14,700.0	90.00	359.58	11,177.0	3,064.2	508.8	3,101.5	0.00	0.00	0.00
14,800.0	90.00	359.58	11,177.0	3,164.2	508.0	3,200.8	0.00	0.00	0.00
14,900.0	90.00	359.58	11,177.0	3,264.2	507.3	3,300.1	0.00	0.00	0.00
15,000.0	90.00	359.58	11,177.0	3,364.2	506.6	3,399.4	0.00	0.00	0.00
15,100.0	90.00	359.58	11,177.0	3,464.1	505.8	3,498.7	0.00	0.00	0.00
15,200.0	90.00	359.58	11,177.0	3,564.1	505.1	3,598.0	0.00	0.00	0.00
15,300.0	90.00	359.58	11,177.0	3,664.1	504.3	3,697.3	0.00	0.00	0.00
15,400.0	90.00	359.58	11,177.0	3,764.1	503.6	3,796.7	0.00	0.00	0.00
15,500.0	90.00	359.58	11,177.0	3,864.1	502.9	3,896.0	0.00	0.00	0.00
15,600.0	90.00	359.58	11,177.0	3,964.1	502.1	3,995.3	0.00	0.00	0.00
15,700.0	90.00	359.58	11,177.0	4,064.1	501.4	4,094.6	0.00	0.00	0.00
15,800.0	90.00	359.58	11,177.0	4,164.1	500.6	4,193.9	0.00	0.00	0.00
15,900.0	90.00	359.58	11,177.0	4,264.1	499.9	4,293.2	0.00	0.00	0.00
16,000.0	90.00	359.58	11,177.0	4,364.1	499.1	4,392.5	0.00	0.00	0.00
16,100.0	90.00	359.58	11,177.0	4,464.1	498.4	4,491.9	0.00	0.00	0.00
16,154.9	90.00	359.58	11,177.0	4,519.0	498.0	4,546.4	0.00	0.00	0.00
PBHL(Dragon 36 State #509H)									

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
KOP(Dragon 36 State #5	0.00	0.00	10,699.5	-611.0	536.0	425,398.00	789,785.00	32° 10' 1.018 N	103° 31' 49.484 W
- plan hits target center									
- Point									
PBHL(Dragon 36 State #	0.00	0.00	11,177.0	4,519.0	498.0	430,528.00	789,747.00	32° 10' 51.783 N	103° 31' 49.480 W
- plan hits target center									
- Point									
FTP(Dragon 36 State #5	0.00	0.00	11,177.0	-561.0	536.0	425,448.00	789,785.00	32° 10' 1.512 N	103° 31' 49.479 W
- plan misses target center by 163.5usft at 11150.5usft MD (11053.2 TVD, -454.3 N, 534.8 E)									
- Point									

Lea County, NM (NAD 83 NME)

Dragon 36 State #509H

Plan #0.1

Azimuths to Grid North
True North: -0.43°
Magnetic North: 6.08°

Magnetic Field
Strength: 47450.9nT
Dip Angle: 59.85°
Date: 8/3/2021
Model: IGRF2020

To convert a Magnetic Direction to a Grid Direction, Add 6.08°
To convert a Magnetic Direction to a True Direction, Add 6.51° East
To convert a True Direction to a Grid Direction, Subtract 0.43°

PROJECT DETAILS: Lea County, NM (NAD 83 NME)

Geodetic System:	US State Plane 1983
Datum:	North American Datum 1983
Ellipsoid:	GRS 1980
Zone:	New Mexico Eastern Zone
System Datum:	Mean Sea Level

WELL DETAILS: #509H

3491.0
KB = 25 @ 3516.0usft

Northing	Easting	Latittude	Longitude
426009.00	789249.00	32° 10' 7.103 N	103° 31' 55.666 W

SECTION DETAILS

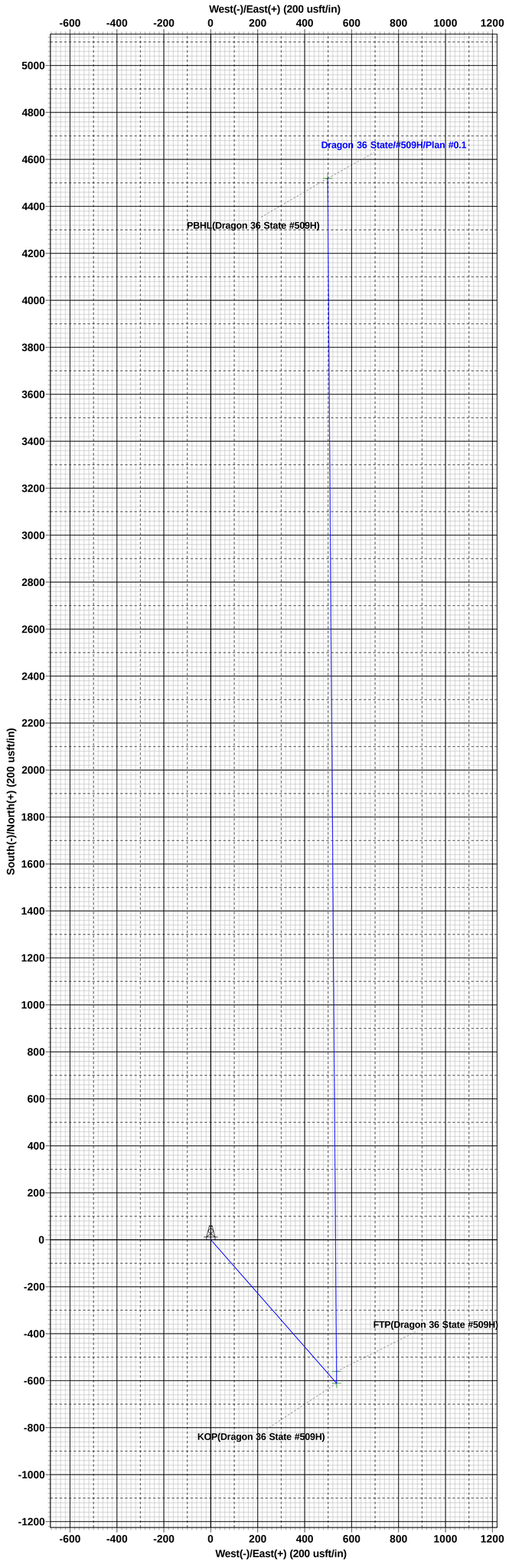
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	1300.0	0.00	0.00	1300.0	0.0	0.0	0.00	0.00	0.0	
3	1678.8	7.58	138.74	1677.7	-18.8	16.5	2.00	138.74	-16.9	
4	7464.9	7.58	138.74	7413.3	-592.2	519.5	0.00	0.00	-531.7	
5	7843.7	0.00	0.00	7791.0	-611.0	536.0	2.00	180.00	-548.6	
6	10752.2	0.00	0.00	10699.5	-611.0	536.0	0.00	0.00	-548.6	KOP(Dragon 36 State #509H)
7	11502.2	90.00	359.58	11177.0	-133.6	532.5	12.00	359.58	-74.4	
8	16154.9	90.00	359.58	11177.0	4519.0	498.0	0.00	0.00	4546.4	PBHL(Dragon 36 State #509H)

CASING DETAILS

No casing data is available

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/-S	+E/-W	Northing	Easting
KOP(Dragon 36 State #509H)	10699.5	-611.0	536.0	425398.00	789785.00
PBHL(Dragon 36 State #509H)	11177.0	4519.0	498.0	430528.00	789747.00
FTP(Dragon 36 State #509H)	11177.0	-561.0	536.0	425448.00	789785.00



Lea County, NM (NAD 83 NME)
Dragon 36 State
#509H
OH
Plan #0.1
9:13, August 03 2021

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description
Effective May 25, 2021

I. Operator: ___EOG Resources, Inc._____ **OGRID:** _____7377_____ **Date:** 08/03 /2021

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Dragon 36 State 509H		M-36-24S-33E	664' FSL & 758' FWL	+/- 1000	+/- 3500	+/- 3000

IV. Central Delivery Point Name: ___Dragon 36 State CTB_____ [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Dragon 36 State 509H		8/16/21	8/31/21	10/1/21	11/1/21	12/1/21

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☐ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. ***If Operator checks this box, Operator will select one of the following:***

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- **(a)** power generation on lease;
- **(b)** power generation for grid;
- **(c)** compression on lease;
- **(d)** liquids removal on lease;
- **(e)** reinjection for underground storage;
- **(f)** reinjection for temporary storage;
- **(g)** reinjection for enhanced oil recovery;
- **(h)** fuel cell production; and
- **(i)** other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Star L Harrell
Printed Name: Star L Harrell
Title: Sr Regulatory Specialist
E-mail Address: Star_Harrell@eogresources.com
Date: 8/3/2021
Phone: (432) 848-9161

OIL CONSERVATION DIVISION **(Only applicable when submitted as a standalone form)**
Approved By:
Title:
Approval Date:
Conditions of Approval:

Natural Gas Management Plan
Items VI-VIII

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

- Separation equipment will be sized to provide adequate separation for anticipated rates.
- Adequate separation relates to retention time for Liquid – Liquid separation and velocity for Gas-Liquid separation.
- Collection systems are appropriately sized to handle facility production rates on all (3) phases.
- Ancillary equipment and metering is selected to be serviced without flow interruptions or the need to release gas from the well.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F 19.15.27.8 NMAC.

Drilling Operations

- All flare stacks will be properly sized. The flare stacks will be located at a minimum 100' from the nearest surface hole location on the pad.
- All natural gas produced during drilling operations will be flared, unless there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety and the environment, at which point the gas will be vented.

Completions/Recompletions Operations

- New wells will not be flowed back until they are connected to a properly sized gathering system.
- The facility will be built/sized for maximum anticipated flowrates and pressures to minimize waste.
- For flowback operations, multiple stages of separation will be used as well as excess VRU and blowers to make sure waste is minimized off the storage tanks and facility.
- During initial flowback, the well stream will be routed to separation equipment.
- At an existing facility, when necessary, post separation natural gas will be flared until it meets pipeline specifications, at which point it will be turned into a collection system.
- At a new facility, post separation natural gas will be vented until storage tanks can safely function, at which point it will be flared until it meets pipeline spec.

Production Operations

- Weekly AVOs will be performed on all facilities.
- All flares will be equipped with auto-ignition systems and continuous pilot operations.
- After a well is stabilized from liquid unloading, the well will be turned back into the collection system.
- All plunger lift systems will be optimized to limit the amount of waste.
- All tanks will have automatic gauging equipment installed.
- Leaking thief hatches found during AVOs will be cleaned and properly re-sealed.

Performance Standards

- Production equipment will be designed to handle maximum anticipated rates and pressure.
- All flared gas will be combusted in a flare stack that is properly sized and designed to ensure proper combustion.
- Weekly AVOs will be performed on all wells and facilities that produce more than 60 Mcfd.

Measurement & Estimation

- All volume that is flared and vented that is not measured will be estimated.
- All measurement equipment for flared volumes will conform to API 14.10.
- No meter bypasses with be installed.

- When metering is not practical due to low pressure/low rate, the vented or flared volume will be estimated.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

- During downhole well maintenance, EOG will use best management practices to vent as minimally as possible.
- Prior to the commencement of any maintenance, the tank or vessel will be isolated from the rest of the facilities.
- All valves upstream of the equipment will be closed and isolated.
- After equipment has been isolated, the equipment will be blown down to as low a pressure as possible into the collection system.
- If the equipment being maintained cannot be relieved into the collection system, it shall be released to a tank where the vapor can either be captured or combusted if possible.
- After downhole well maintenance, natural gas will be flared until it reaches pipeline specification.

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	7377
	Action Number: 49278
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	9/21/2021