

State of New Mexico
Energy, Minerals and Natural Resources Department

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Ms. Lisa Youngblood
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Administrative Order NSP - 2160

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

EOG Resources, Inc. [OGRID 7377]

Silver Train 17 Federal Com Well No. 701H [API No. 30-025-51037]
Silver Train 17 Federal Com Well No. 702H [API No. 30-025-51038]
Silver Train 17 Federal Com Well No. 713H [API No. 30-025-51042]
Silver Train 17 Federal Com Well No. 714H [API No. 30-025-51043]
Silver Train 17 Federal Com Well No. 715H [API No. 30-025-51040]
Silver Train 17 Federal Com Well No. 716H [API No. 30-025-51537]
Silver Train 17 Federal Com Well No. 717H [API No. 30-025-51539]
Silver Train 17 Federal Com Well No. 718H [API No. 30-025-51540]
Silver Train 17 Federal Com Well No. 721H [API No. 30-025-51541]
Silver Train 17 Federal Com Well No. 724H [API No. 30-025-51536]
Silver Train 17 Federal Com Well No. 728H [API No. 30-025-51538]
Silver Train 17 Federal Com Well No. 729H [API No. 30-025-51039]

Section 17 and S/2 Section 08, T25S R34E, Lea County

Reference is made to your application received on June 13th, 2023.

You have requested approval of a non-standard horizontal spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Increased Horizontal Spacing Unit:

| Description | Acres | Pool | Pool Code |
|--|--------------|----------------------------------|------------------|
| All of Section 17 S/2 of Section 08 | 960 | Pitchfork Ranch; Wolfcamp, South | 96994 |

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a non-standard horizontal spacing unit consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter - quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(1) NMAC.

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Lea County, New Mexico.

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The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are to be being included.

You have requested this non-standard horizontal spacing unit in order to create a single surface facility, to consolidate roads, tanks, pipelines and to create an effective well spacing plan, all within the Wolfcamp formation. Thereby, preventing waste underlying the all of Section 17 and the S/2 Section 08, all while protecting correlative rights within the Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the above-described **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following e-mail address: ocd.engineer@emnrd.nm.gov of notice for additional wells.

General Provisions

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.


DYLAN M. FUGE
DIRECTOR
DMF/lrl

Date: 7/21/23

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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

Action 259476

CONDITIONS

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|--|--|
| Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702 | OGRID: 7377 |
| | Action Number: 259476 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

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|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 8/30/2023 |