

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**  
Governor

**Melanie Kenderdine**  
Cabinet Secretary - Designate

**Ben Shelton**  
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Division Director (Acting)  
Oil Conservation Division



Ms. Jordan Kessler  
[jordan\\_kessler@eogresources.com](mailto:jordan_kessler@eogresources.com)

**ADMINISTRATIVE NON-STANDARD LOCATION**

**Administrative Order NSL – 8794**

**EOG Resources, Inc. [OGRID 7377]  
Banjo 5 Federal Com Well No. 588H  
API No. 30-015-47815**

Reference is made to your application received on August 12<sup>th</sup>, 2024.

**Proposed Location**

	<b>Footages</b>	<b>Unit/Lot</b>	<b>Sec.</b>	<b>Twsp</b>	<b>Range</b>	<b>County</b>
Surface	421 FNL & 2311 FEL	B	05	26S	30E	Eddy
First Take Point	100 FNL & 2556 FWL	C	05	26S	30E	Eddy
Last Take Point	100 FSL & 2556 FWL	N	08	26S	30E	Eddy
Terminus	100 FSL & 2556 FWL	N	08	26S	30E	Eddy

**Proposed Horizontal Units**

<b>Description</b>	<b>Acres</b>	<b>Pool</b>	<b>Pool Code</b>
W/2 of Section 05	640	Corral Canyon; Bone Spring, South	13354
W/2 of Section 08			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal oil well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an oil well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

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well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 84 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 05, encroachment to the E/2  
Section 08, encroachment to the E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells, thus preventing waste and protecting correlative rights within the Bone Spring formation underlying the W/2 of Section 05 and the W/2 of Section 08.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.



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**GERASIMOS RAZATOS**  
**DIRECTOR (ACTING)**  
GR/lrl

**Date:** 10/23/24

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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 397630

**CONDITIONS**

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 397630
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	10/30/2024