

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING AUGUST 05, 2021**

CASE No. 22031

MARCH AMT FEDERAL COM #1H WELL

EDDY COUNTY, NEW MEXICO



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

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

CASE NO. 22031

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EOG Exhibit D – Notice Affidavit

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COMPULSORY POOLING APPLICATION CHECKLIST (pdf)**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 22031	APPLICANT'S RESPONSE
Date: August 5, 2021	
Applicant	EOG Resources Inc.
Designated Operator & OGRID (affiliation if applicable)	EOG Resources Inc. (OGRID No. 7377)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF EOG RESOURCES INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	N/A
Well Family	March AMT Fed Com well
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	Dagger Draw; Wolfcamp (Gas) [75960]
Well Location Setback Rules:	Statewide Horizontal well rules
Spacing Unit Size:	320 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	quarter sections
Orientation:	vertical
Description: TRS/County	W/2 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	No, vertical well.
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	N/A

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Santa Fe, New Mexico
Exhibit No. A
Submitted by: EOG Resources, Inc.
Hearing Date: August 05, 2021
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Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	N/A
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p>March AMT Federal Com #1 well, API No. 30-015-27506 SHL:660 feet from the south line and 1980 feet from the west line, SE/4 SW/4 (Unit N) of Section 25, Township 19 South, Range 24 East, NMPM.</p> <p>Completion Target: Wolfcamp Well Orientation: Vertical Completion Location: standard</p>
Vertical Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-1
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit E
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2, C-3
Tract List (including lease numbers and owners)	Exhibit C-2, C-3
Pooled Parties (including ownership type)	Exhibit C-2, C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below	None

Joinder	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	N/A
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
Geology	
Summary (including special considerations)	N/A
Spacing Unit Schematic	N/A
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	N/A
Target Formation	N/A
HSU Cross Section	N/A
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	N/A
Summary of Interests, Unit Recapitulation (Tracts)	N/A
General Location Map (including basin)	N/A
Well Bore Location Map	Exhibit C-1
Structure Contour Map - Subsea Depth	N/A
Cross Section Location Map (including wells)	N/A
Cross Section (including Landing Zone)	N/A
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	30-Jul-21

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

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

CASE NO. 22031

APPLICATION

EOG Resources, Inc. (“EOG” or “Applicant”) (OGRID No. 7377), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, spacing unit comprised of the W/2 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. In support of its application, EOG states:

1. Applicant is a working interest owner in the proposed spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **March AMT Federal Com #1 well** (API No. 30-015-27506) that has been drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 25.
3. The completed interval for this well will comply with statewide setbacks for gas wells.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: EOG Resources, Inc.
Hearing Date: August 05, 2021
Case No. 22031**

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this spacing unit should be pooled, and Applicant should be designated the operator of the proposed well and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the spacing unit in the Wolfcamp formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the well that has been drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR EOG RESOURCES, INC.

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

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

CASE NO. 22031

AFFIDAVIT OF JANET RICHARDSON

Janet Richardson, of lawful age and being first duly sworn, declares as follows:

1. My name is Janet Richardson. 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. None of the interest owners have indicated opposition to EOG presenting this case by affidavit and I do not expect any opposition at the hearing.

5. EOG seeks an order pooling a record title owner in the Wolfcamp formation underlying a standard 320-acre, more or less, spacing unit comprised of the W/2 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

6. EOG intends to initially dedicate this proposed unit to the **March AMT Federal Com #1 well** (API No. 30-015-27506), a vertical well that has been drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 25.

7. **EOG Exhibit C-1** is a C-102 for this well that reflects that the Division District Office has placed this well in the Dagger Draw; Wolfcamp Pool (Pool code

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: EOG Resources, Inc.
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75960).

8. **EOG Exhibit C-2** identifies the record title owner that EOG seeks to pool in the proposed vertical spacing unit. EOG has conducted a diligent search of the public records in the county where the well is located, reviewed telephone directories, and conducted computer searches to locate contact information for this party but has been unable to locate the record title owner to obtain their signature on the communitization agreement for the underlying acreage.

9. **EOG Exhibit C-3** is a copy of the proposed communitization agreement for the underlying acreage.

10. I have provided the law firm of Holland & Hart LLP with the last known address of the record title owner that EOG seeks to pool and instructed that they be notified of this hearing.

11. **EOG Exhibits C-1, C-2, and C-3** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Exhibit No. C1
 Submitted by: EOG Resources, Inc.
 Hearing Date: August 05, 2021
 Case No. 22031

NM OIL CONSERVATION
 ARTESIA DISTRICT

State of New Mexico
 Energy, Minerals & Natural Resources Department

JAN 10 2018

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

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

RECEIVED

AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-27506	² Pool Code 175960	³ Pool Name Dagger Draw Wildcat Wolfcamp GAB
⁴ Property Code 14788	⁵ Property Name March AMT Federal Com	
⁷ OGRID No. 025575	⁸ Operator Name EOG Y Resources, Inc.	⁶ Well Number 1
⁹ Elevation 3605'GL		

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
N	25	19S	24E		660	South	1980	West	Eddy

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
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order 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.

<p>¹⁶</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Tina Huerta</i> January 8, 2018 Signature Date</p> <p>Tina Huerta Printed Name</p> <p>tina.huerta@eogresources.com E-mail Address</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 and correct to the best of my belief.</p>	
	<p>Date of Survey Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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01 02-25-1920;041STAT0437;30USC181ETSEQ
Case Type 312011: O&G LSE COMP PUBLIC
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED

Total Acres:
240.000

Serial Number
NMNM 058024

Case File Juris:

						Serial Number: NMNM-- - 058024	
Name & Address						Int Rel	% Interest
EOG RESOURCES INC	PO BOX 4362	HOUSTON	TX	772104362	OPERATING RIGHTS	0.000000000	
MAR OIL & GAS CORP	PO BOX 5155	SANTA FE	NM	87502	OPERATING RIGHTS	0.000000000	
WPX ENERGY PERMIAN LLC	3500 ONE WILLIAMS CTR	TULSA	OK	741720135	OPERATING RIGHTS	0.000000000	
MISSION E&P LTD PTNRSH	1331 LAMAR #1455	HOUSTON	TX	770103039	LESSEE	100.000000000	
MISSION E&P LTD PTNRSH	1331 LAMAR #1455	HOUSTON	TX	770103039	OPERATING RIGHTS	0.000000000	
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND	TX	797062964	OPERATING RIGHTS	0.000000000	

							Serial Number: NMNM-- - 058024				
Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0190S	0240E	025		ALIQ			NE,S2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 058024

					Serial Number: NMNM-- - 058024	
Act Date	Act Code	Action Txt	Action Remarks		Pending Off	
10/25/1983	387	CASE ESTABLISHED	PARCEL #8;			
10/26/1983	196	BID ACCEPTED				
01/01/1984	496	FUND CODE	05;145003			
01/01/1984	532	RLTY RATE 12.5-25% SCH B				
01/01/1984	868	EFFECTIVE DATE				
01/04/1984	237	LEASE ISSUED				
01/11/1984	600	RECORDS NOTED				
12/10/1984	111	RENTAL RECEIVED	\$0;85-85			
03/28/1985	909	BOND ACCEPTED	EFF 02/04/85;CO0058			
07/31/1985	140	ASGN FILED	GETTY/TEXACO			
10/22/1985	139	ASGN APPROVED	EFF 08/01/85;			
11/05/1985	963	CASE MICROFILMED/SCANNED	CNUM 554,305	AC	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C2 Submitted by: EOG Resources, Inc. Hearing Date: August 05, 2021 Case No. 22031	
12/16/1985	111	RENTAL RECEIVED	\$0;86-86			
12/24/1986	111	RENTAL RECEIVED	\$0;87-87			
05/23/1987	643	PRODUCTION DETERMINATION	/1/			

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BUREAU OF LAND MANAGEMENT
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Act Date	Act Code	Action Txt	Action Remarks	Pending Off
05/23/1987	650	HELD BY PROD - ACTUAL	/1/	
05/23/1987	658	MEMO OF 1ST PROD-ACTUAL	/1/DD 25 FED #1;	
02/07/1990	974	AUTOMATED RECORD VERIF	AR	
09/24/1990	575	APD FILED	TEXACO PRODUCING CE	
10/18/1990	576	APD APPROVED	DD "25" FED NO 2	
04/09/1991	940	NAME CHANGE RECOGNIZED	TEXACO PROD/EXPL&PROD	
12/12/1991	575	APD FILED	TEX EXP&PROD INC CE	
01/30/1992	576	APD APPROVED	DD 25 FED NO 3	
03/30/1993	575	APD FILED	YATES PETROLEUM	
06/23/1993	576	APD APPROVED	MARCH "AMI" FED #1	
04/24/2000	140	ASGN FILED	TEXACO E&P/BARGO	
10/06/2000	139	ASGN APPROVED	EFF 05/01/00;	
10/06/2000	974	AUTOMATED RECORD VERIF	LR	
12/07/2000	140	ASGN FILED	BARGO/OBO INC	
04/19/2001	566	ASGN WITHDRAWN	BARGO/OBO INC	
05/04/2001	140	ASGN FILED	BARGO PETROLEUM COR;1	
05/04/2001	932	TRF OPER RGTS FILED	BARGO PETROLEUM COR;1	
07/05/2001	933	TRF OPER RGTS APPROVED	EFF 06/01/2001	
07/05/2001	974	AUTOMATED RECORD VERIF	ANN	
10/19/2001	932	TRF OPER RGTS FILED	TEXAS EXPL/BARGO PET	
05/24/2002	932	TRF OPER RGTS FILED	TEXACO EXPL & PROD;1	
07/17/2002	140	ASGN FILED	MF PRTNSHP/FUTURE AC	
07/31/2002	269	ASGN DENIED	BARGO PETRO/MF PTRNS	
07/31/2002	393	DEC ISSUED		
07/31/2002	974	AUTOMATED RECORD VERIF	ANN	
09/13/2002	974	AUTOMATED RECORD VERIF	ANN	
10/10/2002	932	TRF OPER RGTS FILED	MF PTNRSHP/FUTURE ACQ	
10/30/2002	933	TRF OPER RGTS APPROVED	EFF 06/01/02;	
10/30/2002	974	AUTOMATED RECORD VERIF	JLV	
02/06/2003	933	TRF OPER RGTS APPROVED	EFF 11/01/02;	
02/06/2003	933	TRF OPER RGTS APPROVED	EFF 11/01/01;	
02/06/2003	974	AUTOMATED RECORD VERIF	LR	
02/26/2003	817	MERGER RECOGNIZED	BARGO PETRO/MISSION	
10/25/2004	932	TRF OPER RGTS FILED	FUTURE PETO/CHAPARRA	
12/01/2004	933	TRF OPER RGTS APPROVED	EFF 11/01/04;	
12/01/2004	974	AUTOMATED RECORD VERIF	LR	
11/09/2010	932	TRF OPER RGTS FILED	OBO/YATES PETROLEUM;1	
12/23/2010	933	TRF OPER RGTS APPROVED	EFF 12/01/10;	
12/23/2010	974	AUTOMATED RECORD VERIF	ANN	

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 BUREAU OF LAND MANAGEMENT
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Serial Number: NMNM-- - 058024

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
06/20/2014	932	TRF OPER RGTS FILED	CHAPARRAL/KHODY LAN;1	
07/22/2014	933	TRF OPER RGTS APPROVED	EFF 07/01/14;	
07/22/2014	974	AUTOMATED RECORD VERIF	JS	
12/01/2016	817	MERGER RECOGNIZED	YATES PETRO/EOG Y RES	
12/01/2016	817	MERGER RECOGNIZED	KHODY/RKI EXP & PROD;	
04/02/2018	940	NAME CHANGE RECOGNIZED	RKI EXPL/WPX PERMIAN	
04/02/2018	974	AUTOMATED RECORD VERIF	KB	
01/01/2019	817	MERGER RECOGNIZED	EOG Y/EOG RESOURCE IN	

Serial Number: NMNM-- - 058024

Line Number	Remark Text
0002	BONDED ASSIGNEE - PER ABSS
0003	07/05/2001 - BARGO PETROLEUM CORP - NM2800 - S/W;
0004	10/30/2002 - BONDED LESSEE
0005	BARGO PETRO CORP - NM2800 SW/NM
0006	BONDED OPERATORS - PER AFMSS
0007	02/06/2003 - MAR OIL & GAS CORP - NM2868 - S/W;
0008	CHEVRON USA INC - ES0022 - N/W;
0009	BONDED OPERATOR - PER AFMSS
0010	12/01/2004 - MAR OIL & GAS CORP - NMB000169 - S/W;
0011	12/23/2010 - OPERATOR BONDED
0012	CHAPARRAL ENERGY LLC - WYB000230 - N/W;
0013	07/22/14 KHODY LAND & MINERALS CO. - NMB000460 SW
0014	04/02/18 - RKI EXPL/WPX PERMIAN

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United States Department of the Interior



BUREAU OF LAND MANAGEMENT
New Mexico State Office
301 Dinosaur Trail
Santa Fe, New Mexico 87508
<https://www.blm.gov/new-mexico>

In Reply Refer To:
NMNM139980
3105 (9250)

May 16, 2021

NOTICE

EOG Resources Incorporated
Attention: Janet Richardson
104 South 4th Street
Artesia, NM 88210

:
:
:
:
:
:
:

Communitization Agreement Returned Unapproved

We are in receipt of your communitization agreement (CA) for the March AMT Federal Com 1 well covering W2 of Sec. 25, T. 19 S., R. 24 E., Eddy County, New Mexico.

Because W.T. Wynn, lessee of Federal lease NMNM056427, is deceased and you were unable to contact or otherwise obtain information regarding W.T. Wynn's estate, we recommend a force pool at this time. Therefore, we are returning this proposed CA with no action taken.

If you have any questions, please contact me at (505) 954-2234 or email lleib@blm.gov.

Lauren Leib
Land Law Examiner
Division of Minerals

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C3
Submitted by: EOG Resources, Inc.
Hearing Date: August 05, 2021
Case No. 22031

COMMUNITIZATION AGREEMENT

Contract No. NMNM139980

THIS AGREEMENT entered into as of the 1st day of June, 2018, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto"; .

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 19 South, Range 24 East, N.M.P.M.
Section 25: W/2
Eddy County, New Mexico

containing 320.00 acres, more or less, and this agreement shall include only the Wolfcamp formation underlying said lands and the oil, gas and associated hydrocarbons, hereinafter referred to as "communitized substances", producible from such formations.

2. Attached hereto and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area, and Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his duly authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.

5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the Communitization Agreement area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any non-communitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is June 1st, 2018 or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or his duly authorized representative, and shall remain in force and effect as to the Wolfcamp formation, individually for a period of two (2) years and for as long as thereafter as communitized substances are, or can be, produced in paying quantities from the communitized area; provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the

period of nonproduction. The two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occurs in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

16. This Communitization Agreement shall also serve as a written Designation of Pooled Unit under and pursuant to the provisions of the oil and gas leases included within the communitized area and covering oil, gas and other minerals owned by private individuals.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR

DATE OF EXECUTION 10-22-18
By: Reese Lantrip
Its: Vice President and General Manager

EOG Y Resources, Inc.

NON-OPERATOR

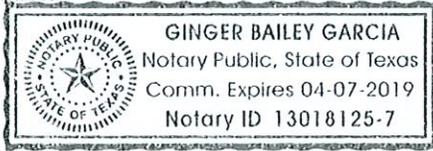
DATE OF EXECUTION 10-22-18
By: Reese Lantrip
Its: Vice President and General Manager

EOG A Resources, Inc.
EOG M Resources, Inc.

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 31st day of January, 2019 by Bradley S. Dusek, as Attorney-in-Fact for Oxy Y-1 Company, a New Mexico Corporation, on behalf of said Corporation.

My commission expires:



[Signature]
Notary Public

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by _____, as _____ for _____.

My commission expires:

Notary Public

Exhibit A

Attached to and made part of the Communitization Agreement dated June 1st, 2018,
embracing the W2 of Section 25, Township 19 South, Range 24 East, N.M.P.M.,
Eddy County, New Mexico.

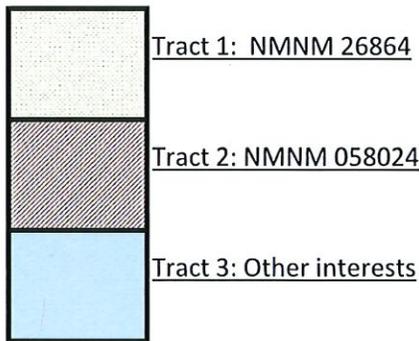
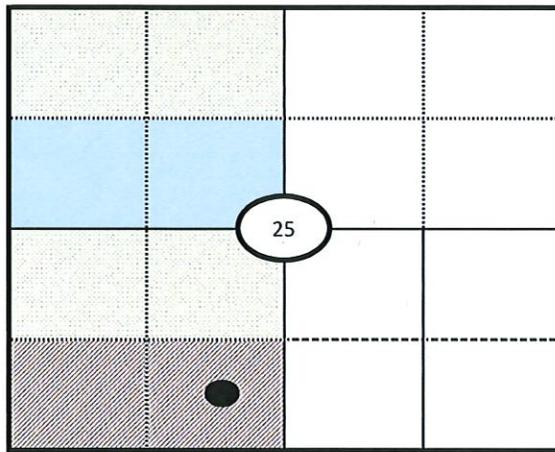


Exhibit B

Attached to and made part of the Communitization Agreement dated June 1st, 2018, embracing the W2 of Section 25, Township 19 South, Range 24 East, N.M.P.M., Eddy County, New Mexico.

Operator of Communitized Area: EOG Resources, Inc.
104 South Fourth Street
Artesia, New Mexico 88210

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial No.: NMNM 26864
Royalty: 12.5%
Lessee of Record: EOG Y Resources, Inc., EOG A Resources, Inc.,
EOG M Resources, Inc., Oxy Y-1 Company
Township 19 South, Range 24 East, NMPM
Description of Land Committed: Section 25: N2NW, N2SW
Eddy County, New Mexico
Number of Acres: 160.00

Name and Percent of WI Owner:	EOG Y Resources, Inc.	25.000000%
	EOG A Resources, Inc.	25.000000%
	EOG M Resources, Inc.	25.000000%
	Oxy Y-1 Company	25.000000%
	Total WI	100.000000%

ORI and Percentage:	Warren Lee Wilson	0.060000%
	Susan A Johnson	0.060000%
	Alliance Land and Minerals, LLC	0.180000%
	JEL, LLC	0.015000%
	C.E.S. Oil Operation, Inc.	0.015000%

Tract No. 2

Lease Serial No.: NMNM 058024
Royalty: 12.5%
Lessee of Record: Mission E&P LTD Partnership
Township 19 South, Range 24 East, NMPM
Description of Land Committed: Section 25: S2SW
Eddy County, New Mexico
Number of Acres: 80.00

Name and Percent of WI Owner:	EOG Y Resources, Inc.	100.000000%
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ORI and Percentage: None

Exhibit B

Tract No. 3a

Lessor: Frances F. McElrath, et al

Original Lessee: Yates Petroleum Corporation **Royalty:** 12.5%

Current Lessee: EOG Resources, Inc.

Original Recording: **Book:** 63 **Page:** 861

Description of Land Committed: Township 19 South, Range 24 East, NMPM
Section 25: S2NW
Eddy County, New Mexico

Number of Acres: 80.00

Name and Percent of WI Owner:	EOG Y Resources, Inc.	100.000000000%
ORI and Percentage:	McCaw Properties	0.007500000%
	John W. Gates, LLC	0.007500000%
	Jeanette Probandt Trust	0.005078125%
	Robert E Chambers, Jr.	0.002031250%
	John David Lipscomb, Sr TTE of the Celeste Chambers Lipscomb Trust originally dated May 22, 1998, as amended and restated on September 11, 2007	0.002031250%
	Neva Chambers Dawson	0.002031250%
	Robert E. Chambers, Jr., as TTE of the Lollie Dee Chambers Descendant's Trust for Robert E. Chambers, Jr., created u/w/o Lollie Dee Chambers Dated June 21, 1995	0.001692708%
	Neva Chambers Dawson, as TTE of the Lollie Dee Chambers Descendant's Trust for Neva Chambers Dawson, created u/w/o Lollie Dee Chambers Dated June 21, 1995	0.001692708%
	Cress R. Bohnn, MD	0.0008463542%
	Chandler Bohnn Gray	0.0008463542%

Pooling Authority: Yes

Tract No. 3b

Lessor: John C. McGivney, et al

Original Lessee: Yates Petroleum Corporation **Royalty:** 12.5%

Current Lessee: EOG Resources, Inc.

Original Recording: **Book:** 110 **Page:** 388

Description of Land Committed: Township 19 South, Range 24 East, NMPM
Section 25: S2NW
Eddy County, New Mexico

Number of Acres: 80.00

Name and Percent of WI Owner:	EOG Y Resources, Inc.	100.000000000%
ORI and Percentage:	McCaw Properties	0.007500000%
	John W. Gates, LLC	0.007500000%
	Jeanette Probandt Trust	0.005078125%
	Robert E Chambers, Jr.	0.002031250%
	John David Lipscomb, Sr TTE of the Celeste Chambers Lipscomb Trust originally dated May 22, 1998, as amended and restated on September 11, 2007	0.002031250%

Exhibit B

RECAPITULATION

<u>Tract Number</u>	<u>Acres Committed</u>	<u>Interest in Communitized Area</u>
1	160.00	50.000000%
2	80.00	25.000000%
3a-3c	80.00	25.000000%
	<hr/>	<hr/>
	320.00	100.000000%



Kaitlyn A. Luck
Phone (505) 988-4421
kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

ATTN: POOLED PARTIES

**Re: Application of EOG Resources, Inc. for Compulsory Pooling, Eddy County,
New Mexico.
March AMT Federal Com #1 well**

Dear Sir or Madam:

This letter is to advise you that EOG Resources, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.

You 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. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed with the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, NM, 87505 or email at OCD.Hearings@state.nm.us, 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 Janet Richardson, at (575) 748-4353, or Janet_Richardson@eogresources.com.

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

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

EOG - March AMT Federal Com No. 1 well
Case No. 22031 POsal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765804643198	Mission E&P Ltd Partnership	1331 Lamar St Ste 1455	Houston	TX	77010-3148	Your item was returned to the sender on July 29, 2021 at 3:01 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004830321

This is not an invoice

HOLLAND AND HART
POBOX 2208

SANTA FE, NM 87504

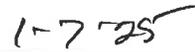
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

07/21/2021


Legal Clerk

Subscribed and sworn before me this July 21, 2021:


State of WI, County of Brown
NOTARY PUBLIC


My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0004830321
PO #:
of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: EOG Resources, Inc.
Hearing Date: August 05, 2021
Case No. 22031

STATE OF NEW MEXICO
ENERGY, MINERALS AND
NATURAL RESOURCES DE-
PARTMENT
OIL CONSERVATION DIVI-
SION
SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, August 5, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than July 25, 2021.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f280e15d2923570bbb1c>
Event number: 146 234 7684
Event password:
u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com
Numeric Password: 949758
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free
Access code: 146 234 7684

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All pooled parties, including: Mission E&P Ltd Partnership.
Case No. 22031: Application of EOG Resources, Inc. for compulsory pooling, Eddy County, New Mexico, A-111

County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 320-acre, more or less, spacing unit comprised of the W/2 of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico. Applicant seeks to dedicate the above-referenced spacing unit to the Initial March AMT Federal Com #1 well (API No. 30-015-27506) that has been drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 25. The completed interval for the well will comply with state-wide setbacks for gas wells. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the well. Said area is located approximately 6 miles west of Lakewood, New Mexico.
#4830321, Current Argus,
July 21, 2021