EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702

October 28, 2022

Dear Mr. McClure,

Pursuant to the terms of Hearing Order No. R-21061, EOG Resources, Inc. ("EOG") seeks an extension of the authority to operate a closed loop gas capture injection project for the Caballo 23 Fed No. 2H Well ("Well"). In support of the requested extension, EOG proposes the following:

- Scope of the project: EOG will be authorized to operate a closed loop gas capture pilot project which shall involve the intermittent injection of gas into the production well for the purpose of temporary storage and recovery to prevent waste, reduce impacts associated with temporary interruptions of gas pipeline services and midstream operations, and to develop standard practices for similar projects.

- Duration of extension: EOG requests an extension of the existing authority through December 31, 2023, with the option of an additional extension following conversation with and approval by the OCD. EOG is pursuing additional options for injection to increase flexibility and functionality during this time.

- Pressure management: EOG proposes to manage intermediate casing pressure on the Well by bleeding back down to 0 psig once the pressure reaches 50 psig, which is estimated to occur every 5 weeks. EOG will not bleed down the pressure if it is caused by thermal and/or ballooning effects during Closed Loop Gas Capture injection. Should the intermediate casing pressure trend under producing or shut-in conditions reach an increase of 50 psi/month, EOG will immediately cease Closed Loop Gas Capture operations on the well and contact the NMOCD. All other surface, intermediate, and production casing pressure protocols from the original order will remain in-place.

- SCADA monitoring: EOG will actively monitor pressures via a SCADA alarm set at 50 psig, with a polling frequency of 15 minutes or less.

Please do not hesitate to contact us for any additional information.

Respectfully,

Jordan Kessler
Senior Regulatory Advisor