

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

IN RE EOG RESOURCES, INC

ACO 201817

AGREED COMPLIANCE ORDER

Pursuant to the New Mexico Oil and Gas Act ("Act"), NMSA 1978, Section 70-2-1, *et seq.*, and 19.15.5.10(C) NMAC, the Director of the Oil Conservation Division ("OCD") and EOG Resources, Inc. (OGRID 7377) ("EOG") enter into this Agreed Compliance Order ("Order") to resolve self-reported violations.

1. OCD is charged with the administration and enforcement of the Act and implementing rules and has jurisdiction to regulate wells and facilities operated within the State of New Mexico.

2. On September 5, 2023, EOG submitted a self-disclosure for injection occurring on nine separate dates at the Ophelia 27 #1H well, API 30-025-41114 (the "Well"), after expiration of injection authority under Order R-21747.

3. EOG requested an informal resolution process.

4. To resolve the violations without the cost and expense of a hearing on the legal and factual issues raised by EOG's disclosure, the parties stipulate and agree that:

- a. EOG ceased injection immediately upon determination that injection authority for the well had lapsed;
- b. EOG's voluntary self-disclosure and corrective actions in shutting in the well alleviates the administrative burden of investigation of potential violations and issuance of formal enforcement actions, and justifies a substantial reduction of the total potential calculated civil penalty;
- c. No later than 30 days after the effective date this Order, EOG shall pay a total cumulative civil penalty of twelve-thousand five hundred dollars (\$12,500.00) to the State of New Mexico;
- d. Following execution of this Order, OCD will issue an administrative extension of Order R-21747; and
- e. EOG retains its existing permits, rights, and conditions of operation within New Mexico unchanged, except as specified within this Order.

5. If EOG fails to pay the civil penalty or portion thereof by the specified date, EOG shall pay interest on the civil or stipulated penalty or unpaid portion thereof until paid in full at the interest rate of 8.75 percent.

6. EOG admits OCD's jurisdiction to execute this Order, consents to the relief specified herein, and waives the right of review by the Oil Conservation Commission or other judicial relief.


7. The persons executing this Order represent that they have the requisite authority to bind their respective parties and such representation shall be legally sufficient evidence of their actual or apparent authority.

8. This Order becomes effective on the date of final execution by the OCD Director and terminates one (1) year therefrom.

9. OCD and EOG agree that this Order fully resolves the violations referenced above in Paragraph 2.

10. Notwithstanding the foregoing provisions, OCD reserves the right to pursue enforcement against EOG for any alleged violation not related to this Order and the underlying violations.

OIL CONSERVATION DIVISION


Dylan Frige
Director

Date: 9/14/2023

EOG RESOURCES, INC


Patrick Padilla
Director, Regulatory and Government Affairs

Date: 9/14/23

AGREED COMPLIANCE ORDER 201817

PAGE 2 of 2