

Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-005-10463
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator EOG Resources, Inc.		6. State Oil & Gas Lease No. VA-613
3. Address of Operator 104 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Avalanche Journal State
4. Well Location Unit Letter <u>F</u> : <u>1980</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>4</u> Township <u>8S</u> Range <u>27E</u> NMPM <u>Chaves</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3952'GR		9. OGRID Number 7377
		10. Pool name or Wildcat Acme; San Andres

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐ Change of Operator ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Operator transfer from Escudilla Oil Company to EOG Resources, Inc.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Specialist DATE October 20, 2021

Type or print name Tina Huerta E-mail address: tina_huerta@eogresources.com PHONE: 575-748-4168
For State Use Only

APPROVED BY: Amy Fennell TITLE Data Compliance Manager DATE 10/21/21
Conditions of Approval (if any):

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District IV

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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
Change of Operator**

Form C-145
Revised May 19, 2017

Permit 294712

Previous Operator Information

OGRID: 228270
Name: ROGER SLAYTON DBA ESCUDILLA OIL COMPANY
Address: P.O. Box 687

City, State, Zip: Roswell, NM 88202

New Operator Information

Effective Date: Effective on the date of approval by the OCD
OGRID: 7377
Name: EOG RESOURCES INC
Address: P.O. Box 2267

City, State, Zip: Midland, TX 79702

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, EOG RESOURCES INC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(i) NMAC.

EOG RESOURCES INC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, EOG RESOURCES INC agrees to the following statements:


1. Initials AE I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. Initials AE I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
3. Initials AE I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
4. Initials AE I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. Initials AE I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statuses", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. Initials AE I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
7. Initials AE I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
8. Initials AE For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
9. Initials AE I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. Initials AE If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
11. Initials AE No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
12. Initials AE NMOC Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator

Signature: _____
Printed Name: **Operator Defunct** _____
Title: **see attached** _____
Judgment _____
Date: _____ Phone: _____

New Operator

Signature:  _____
Printed Name: Andrew Felix _____
Title: Regulatory Manager _____
Date: 10-12-21 Phone: 575-703-1267

Permit 294712

Escudilla Oil Company is a Defunct Operator therefore Operator Transfer was completed manually and not through the Electronic C-145 process as EOG has Judgment to take ownership of this well- NMOCD AV

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Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

Wells Selected for Transfer

Permit 294712

1 Well Selected for Transfer

From:	ROGER SLAYTON DBA ESCUDILLA OIL COMPANY	OGRID:	228270
To:	EOG RESOURCES INC	OGRID:	7377

OCD District: Artesia (1 Well selected)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type	Last Prod/Inj	Single Well Bond Required for Inactive Well
300997	AVALANCHE JOURNAL STATE #001	S	F-04-08S-27E	F	30-005-10463	760	ACME; SAN ANDRES	O	12/92	28950

Total of Single Well Bonds Required for Inactive Wells	28950
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STATE OF NEW MEXICO
COUNTY OF CHAVES
FIFTH JUDICIAL DISTRICT COURT

FILED
5th JUDICIAL DISTRICT COURT
Chaves County
9/15/2021 3:58 PM
KATIE ESPINOZA
CLERK OF THE COURT
Nadia Karavdic

EOG RESOURCES INC.,

Plaintiff,

Case No. D-504-CV-2021-00354

v.

ROGER SLAYTON d/b/a ESCUDILLA OIL
COMPANY,

Defendant.

FINAL DEFAULT JUDGMENT

THIS MATTER comes before the Court on EOG Resources Inc.'s Motion for Default Judgment. The Court, having reviewed the papers and being fully advised in the premises, **FINDS** that the Motion is well-taken and should be **GRANTED**.

IT IS THEREFORE ORDERED that final default judgment shall be and hereby is entered in favor of EOG Resources Inc. and against Roger Slayton d/b/a Escudilla Oil Company.

IT IS FURTHER DECLARED as follows:

A. Roger Slayton d/b/a Escudilla Oil Company is responsible for plugging and abandoning those wells on State Lease VA-0613-0, including Avalanche Journal State No. 001 (API 30-005-10463), Avalanche Journal State No. 004 (API 30-005-10471), Avalanche Journal State No. 005 (API 30-005-10472), and Avalanche Journal State No. 006 (API 30-005-10488), and for remediating the surface of the Lease; and

B. EOG Resources Inc. has the right to assume operations of all wells on State Lease VA-0613-0 pursuant to 19.15.9.9.B NMAC, the farmout agreement and other related agreements.



A handwritten signature in blue ink, appearing to read "James M. Hudson".

THE HONORABLE JAMES M. HUDSON
DISTRICT COURT JUDGE

SUBMITTED BY:

HOLLAND & HART LLP

By: /s/ Julia Broggi

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

110 North Guadalupe, Suite 1

Santa Fe, New Mexico 87501

Tel: 505.988.4421

mfeldewert@hollandhart.com

agrarkin@hollandhart.com

jbroggi@hollandhart.com

ATTORNEYS FOR PLAINTIFF EOG RESOURCES INC.

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CONDITIONS

Action 56951

CONDITIONS

Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702	OGRID: 7377
	Action Number: 56951
	Action Type: [C-103] Sub. General Sundry (C-103Z)

CONDITIONS

Created By	Condition	Condition Date
ahvermersch	None	10/22/2021