Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Director Oil Conservation Division



NON-STANDARD LOCATION

Ms. Jordan Kessler jordan kessler@eogresources.com

Administrative Order NSL - 8498

EOG Resources, INC [OGRID 7377] Antero 14 Federal Com Well No. 511H API No. 30-025-50664

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	2202 FNL & 2407 FEL	G	14	25S	33E	Lea
First Take Point	2537 FNL & 2320 FEL	G	14	25S	33E	Lea
Last Take Point/	100 FNL & 2320 FEL	В	11	25S	33E	Lea
Terminus						

Proposed Horizontal Units

Description	Acres	Pool	Pool Code
NE/4 of section 14	480	Red Hills; Lower Bone Spring	51020
E/2 of section 11			

Reference is made to your application received on November 30th, 2022.

You have requested to drill this horizontal well at an unorthodox oil 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.

This well's completed interval is as close as 320 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 14, encroachment to the NW/4 Section 11, encroachment to the W/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.

Administrative Order NSL - 8498 EOG Resources, INC Page 2 of 2

Division understands you are seeking this unorthodox location as your preferred well spacing plan for horizontal wells in the area and thereby preventing waste within the Bone Spring formation underlying NE/4 of Section 14 and the E/2 of Section 11.

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 (C-104), 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.



Date: <u>12/23/2022</u>

AES/lrl