

State of New Mexico
Energy, Minerals and Natural Resources Department

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Ms. Lisa Youngblood
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NON-STANDARD LOCATION

Administrative Order NSL - 8571

**EOG Resources, Inc. [OGRID 7377]
Banjo 5 Federal Com Well No. 728H
API No. 30-015-48204**

Proposed Location

| | <u>Footages</u> | <u>Unit/Lot</u> | <u>Sec.</u> | <u>Twsp</u> | <u>Range</u> | <u>County</u> |
|------------------------------|--------------------|-----------------|-------------|-------------|--------------|---------------|
| Surface | 361 FNL & 2236 FEL | B | 05 | 26S | 30E | Eddy |
| First Take Point | 100 FNL & 2530 FWL | C | 05 | 26S | 30E | Eddy |
| Last Take Point/ Terminus | 100 FSL & 2530 FWL | N | 08 | 26S | 30E | Eddy |

Proposed Horizontal Gas Units

| <u>Description</u> | <u>Acres</u> | <u>Pool</u> | <u>Pool Code</u> |
|--|--------------|-----------------------------|------------------|
| W/2 of Section 05 W/2 of Section 08 | 640 | Purple Sage; Wolfcamp (GAS) | 98220 |

Reference is made to your application received on April 27th, 2023.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules, R-14262, for the Purple Sage; Wolfcamp (Gas) Pool and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern and southern boundary of the horizontal spacing unit. Encroachment will impact the following tract.

Section 32, T25S, R30E encroachment to the SW/4
Section 17, encroachment to the NW/4

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches.

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EOG Resources, Inc.
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Division understands you are seeking this unorthodox location for optimal spacing for the development of resources within the Wolfcamp formation, thereby preventing waste underlying the W/2 of Section 05 and the W/2 of Section 08.

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 Subsection B of 19.15.15.13 NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, 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.



DYLAN M. FUGE
DIRECTOR
DMF/lrl

Date: 5/25/2023

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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

CONDITIONS

Action 221532

CONDITIONS

| | |
|--|--|
| Operator: EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702 | OGRID: 7377 |
| | Action Number: 221532 |
| | Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 5/30/2023 |