

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

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Deputy Secretary

Dylan Fuge, Division Director (Acting)
Oil Conservation Division



Ms. Lisa Youngblood
lisa_youngblood@eogresources.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8713

**EOG Resources, Inc. [OGRID 7377]
Stonewall 28 Federal Com Well No. 514H
API No. 30-025-PENDING**

Reference is made to your application received on February 8th, 2024.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	260 FNL & 1759 FEL	B	28	24S	34E	Lea
First Take Point	100 FNL & 1290 FEL	A	28	24S	34E	Lea
Last Take Point/ Terminus	100 FSL & 1290 FEL	P	33	24S	34E	Lea

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 E/2 of Section 28	320	Red Hills; Bone Spring, North	96434
E/2 E/2 of Section 33			

You have requested to drill this horizontal well at an unorthodox 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. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal well shall be no closer than 100 feet for an **oil** in the horizontal plane, to any outer boundary of the horizontal spacing unit.

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EOG Resources, Inc.
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The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 30 feet to the western edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the W/2 E/2
Section 33, encroachment to the W/2 E/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.

Division understands you are seeking this unorthodox location to optimize pressures related to the completion and production drawdown of the well to yield higher ultimate recovery thus preventing waste within the Bone Spring formation underlying the E/2 E/2 of Section 28 and the E/2 E/2 of Section 33.

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, 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 (ACTING)
DMF/lrl

Date: 3/7/24

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
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CONDITIONS

Action 321387

CONDITIONS

Operator: EOG RESOURCES INC 5509 Champions Drive Midland, TX 79706	OGRID: 7377
	Action Number: 321387
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/7/2024