

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

August 1, 2011

Permit 277273

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702		2. OGRID Number 7377
		3. API Number 30-015-46662
4. Property Code 327079	5. Property Name FALCADE 02 STATE	6. Well No. 001

7. Surface Location

UL - Lot N	Section 2	Township 19S	Range 24E	Lot Idn	Feet From 520	N/S Line S	Feet From 1400	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot N	Section 2	Township 19S	Range 24E	Lot Idn N	Feet From 520	N/S Line S	Feet From 1400	E/W Line W	County Eddy
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9. Pool Information

PENASCO DRAW;PERMO PENN (GAS)	82775
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3696
16. Multiple N	17. Proposed Depth 7700	18. Formation Permo Penn	19. Contractor	20. Spud Date 3/16/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	36	1300	480	0
Prod	8.75	0	0	7700	0	0

Casing/Cement Program: Additional Comments

EOG Resources, Inc. plans to drill this well as a vertical pilot well to approximately 7700'. DO from surface will be with an 8-3/4" bit to TD. Plug back schematic is attached.
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	Whichever is available

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable.	OIL CONSERVATION DIVISION	
Signature:		
Printed Name: Electronically filed by Kay Maddox	Approved By: Raymond Podany	
Title: Regulatory Agent	Title: Geologist	
Email Address: kay_maddox@eogresources.com	Approved Date: 1/31/2020	Expiration Date: 1/31/2022
Date: 1/15/2020	Phone: 432-686-3658	Conditions of Approval Attached

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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name Wildcat; Permo Penn
⁴ Property Code	⁵ Property Name FALCADE 02 STATE	
⁶ Well Number 1		
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3696'

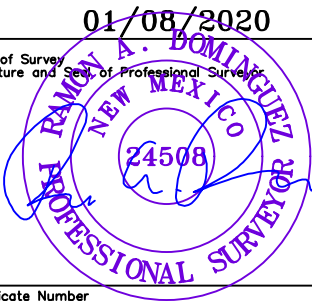
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	19-S	24-E	—	520'	SOUTH	1400'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface[illegible]

¹² Dedicated Acres —	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;">SURFACE LOCATION NEW MEXICO EAST NAD 1983 X=470667 Y=612779 LAT.: N 32.6843640 LONG.: W 104.5630345</div> <div style="margin-top: 20px;"><div style="display: flex; align-items: center;"><div style="width: 100px; border-bottom: 1px solid black; margin-right: 10px;"></div><div style="text-align: center;"><div style="display: flex; flex-direction: column; align-items: center;"><div style="width: 10px; height: 10px; background-color: red; border-radius: 50%; margin-bottom: 5px;"></div><div style="width: 20px; height: 20px; background-color: lightgray; border: 1px solid black; margin-bottom: 5px;"></div><div style="width: 20px; height: 20px; background-color: lightgray; border: 1px solid black; margin-bottom: 5px;"></div><div style="width: 20px; height: 20px; background-color: lightgray; border: 1px solid black;"></div></div></div></div></div>	<div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;">17 OPERATOR CERTIFICATION</div> <div style="margin-top: 10px;"><p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p><div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 60%;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">Tina Huerta</div><div style="font-size: small;">Signature</div></div><div style="width: 35%;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">1/15/2020</div><div style="font-size: small;">Date</div></div></div><div style="margin-top: 10px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">Tina Huerta</div><div style="font-size: small;">Printed Name</div></div><div style="margin-top: 10px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">tina_huerta@eogresources.com</div><div style="font-size: small;">E-mail Address</div></div></div>	<div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;">18 SURVEYOR CERTIFICATION</div> <div style="margin-top: 10px;"><p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</i></p><div style="text-align: center; margin-top: 10px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">01/08/2020</div><div style="font-size: small;">Date of Survey</div></div><div style="text-align: center; margin-top: 10px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: small;">Signature and Seal of Professional Surveyor</div></div><div style="margin-top: 10px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div><div style="font-size: small;">Certificate Number</div></div></div>
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GAS CAPTURE PLAN

Date: 1/31/2020

☒ Original

Operator & OGRID No.: [7377] EOG RESOURCES INC

☐ Amended - Reason for
Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
FALCADE 02 STATE #001	30-015-46662	N-2-19S-24E	0520S 1400W	1	None	Pilot Plugback well - No Transporter

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to EOG RESOURCES INC and will be connected to EOG RESOURCES INC Low Pressure gathering system located in Eddy County, New Mexico. It will require 0' of pipeline to connect the facility to Low Pressure gathering system. EOG RESOURCES INC provides (periodically) to EOG RESOURCES INC a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, EOG RESOURCES INC and EOG RESOURCES INC have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at EOG RESOURCES INC Processing Plant located in Sec. 02, Twn. 19S, Rng. 24E, Eddy County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on EOG RESOURCES INC system at that time. Based on current information, it is EOG RESOURCES INC's belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

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Form APD Comments

Permit 277273

PERMIT COMMENTS

Operator Name and Address: EOG RESOURCES INC [7377] P.O. Box 2267 Midland, TX 79702		API Number: 30-015-46662
		Well: FALCADE 02 STATE #001

Created By	Comment	Comment Date
tinah	EOG Resources, Inc. plans to drill this well as a vertical pilot well to approximately 7700'. DO from surface will be with an 8-3/4" bit to TD. Plug back schematic is attached.	1/15/2020

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Form APD Conditions

Permit 277273

PERMIT CONDITIONS OF APPROVAL

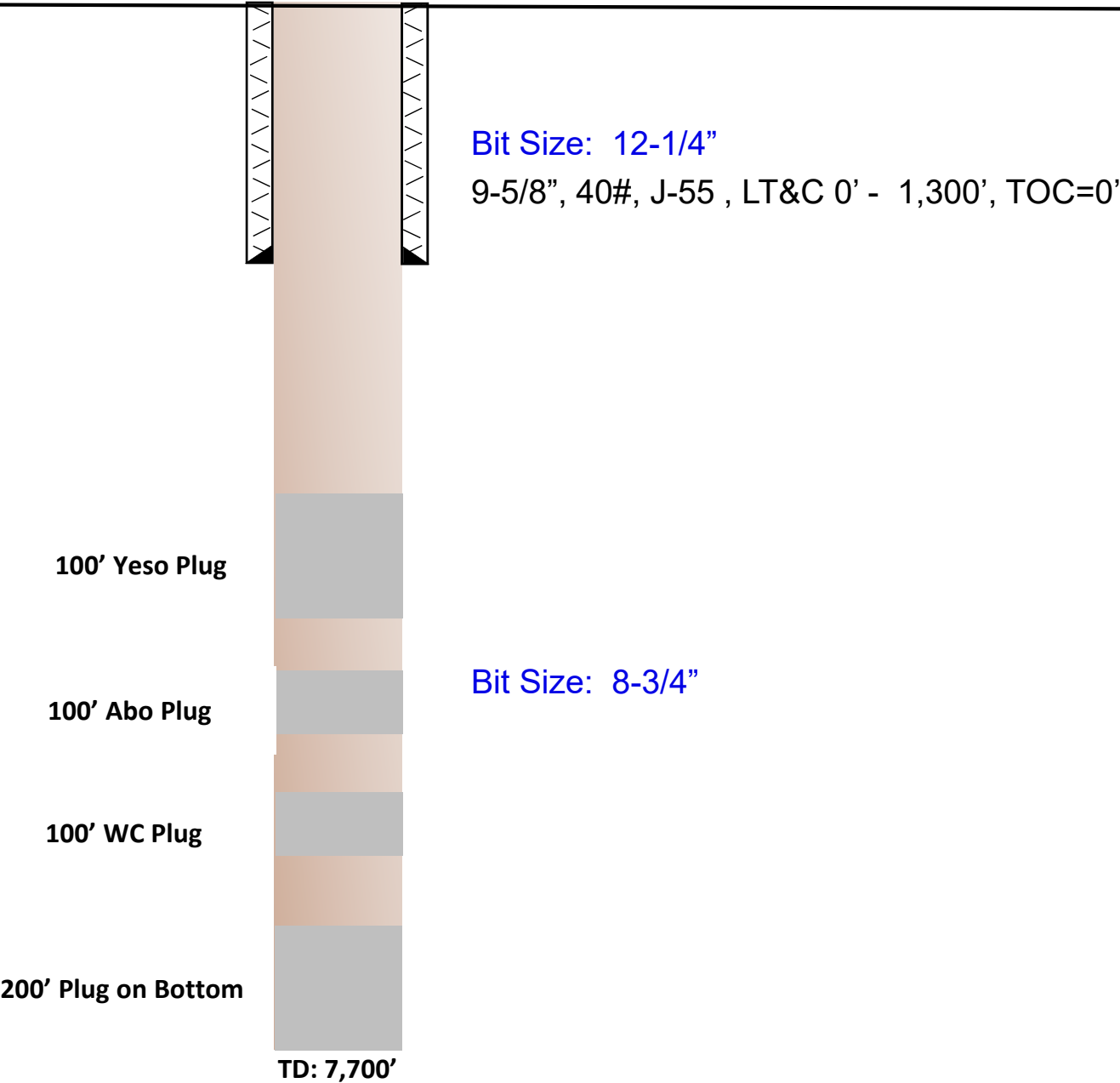
Operator Name and Address: EOG RESOURCES INC [7377] P.O. Box 2267 Midland, TX 79702		API Number: 30-015-46662
		Well: FALCADE 02 STATE #001

OCD Reviewer	Condition
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520' FSL
1400' FWL
Section 2
T-19S, R-24E

Falcade 02 State #1 Plugback Schematic

GL: 3,69



520' FSL
1400' FWL
Section 2
T-19S, R-24E

Falcade 02 State #1 Plugback Schematic

GL: 3,69

