Form C-101 August 1, 2011

Permit 299025

<u>District I</u> 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**

APPLICATION FOR PERMIT TO DRILL	., RE-ENTER, DEEPEN	, PLUGBACK	, OR ADD A ZONE
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	APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE									
1. Operator Name	and Address						2. OGRID	Number		
EOG RESOURCES INC						7377				
P.O. B	P.O. Box 2267 3. API Number									
Midlan	d, TX 79702							30-025-49281		
4. Property Code		5. Prop	erty Name				6. Well No	o.		
39643			DRAGON 36 STAT	Έ				505H		
	7. Surface Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County	
0	36	24S	33E	0	868	S	2018	E		Lea

8. Proposed Bottom Hole Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
_	0.0	0.40	005	_	400		0.450	147	

Lea

9. Pool Information

	RED HILLS;LOWER BONE SPRING		51020
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Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3476
16. Multiple	17. Proposed Depth	18. Formation	19. Contractor	20. Spud Date
N	16256	Lower Bone Spring		8/17/2020
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

			21111000000 000111	g and comoner regram		
Ty	pe Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Su	ırf 16	13.375	54.5	1310	490	0
In	12.25	9.625	40	5120	320	0
ln'	12.25	9.625	40	4000	750	0
Pro	od 8.5	5.5	17	16256	1330	4620
Pro	od 8.75	5.5	17	11605	630	0

Casing/Cement Program: Additional Comments

22. Proposed Blowout Prevention Program				
Туре	Working Pressure	Test Pressure	Manufacturer	
Double Ram	5000	3000		

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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.				OIL CONSERVATI	ON DIVISION
Signature:					
Printed Name:	Electronically filed by Kay Madd	ox	Approved By:	Paul F Kautz	
Title:	Regulatory Agent		Title:	Geologist	
Email Address:	kay_maddox@eogresources.c	om	Approved Date:	8/4/2021	Expiration Date: 8/4/2023
Date:	8/3/2021	Phone: 432-686-3658	Conditions of App	roval Attached	

<u>District I</u> 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 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

320.00

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

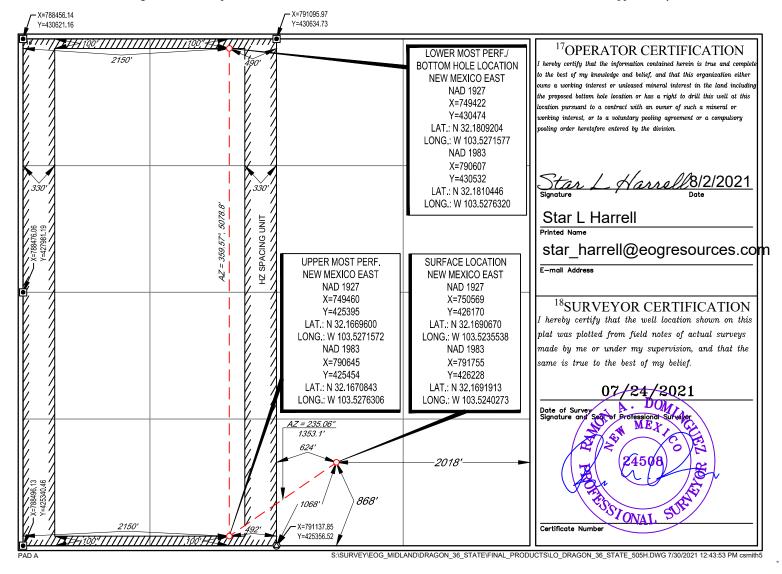
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025- 49281		² Pool Code 51020 Red Hills; Lower Bone		Spring
⁴ Property Code 39643		⁵ Property Name DRAGON 36 STATE		
⁷ OGRID №. 7377		-	perator Name SOURCES, INC.	⁹ Elevation 3476'

¹⁰Surface Location

0 36 24-S 33-E - 868' SOUTH 2018' EAST LE	\
11 Rottom Holo Location If Different From Surface	
Bottom Hole Education if Different From Surface	
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line	County
C 36 24-S 33-E - 100' NORTH 2150' WEST LE	7

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.



Form APD Conditions

Permit 299025

<u>District I</u> 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

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**

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
EOG RESOURCES INC [7377]	30-025-49281
P.O. Box 2267	Well:
Midland, TX 79702	DRAGON 36 STATE #505H

OCD	Condition
Reviewer	
pkautz	Notify OCD 24 hours prior to casing & cement
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1)- The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud 2)- Drilling Sundries Form C-103 (Casing and Cement test are to be submitted within 10 days 3)- Completion Reports & Logs are to be submitted within 45 days 4)- Deviation / Directional Drill Survey are to be filed with or prior to C-104
pkautz	It is the operator's responsibility to monitor cancellation dates of approved APDs. APD's are good for 2 years and may be extended for one year. Only one 1 year extension will be granted if submitted by C-103 before expiration date. After expiration date or after a 1 year extension must submit new APD. If an APD expires and if site construction has occurred, site remediation is required.
pkautz	Stage Tool 1) Must notify OCD Hobbs Office prior to running Stage Tool 2) If using Stage Tool on Surface casing, Stage Tool must be set greater than 350' from surface and a minimum of 200 feet above surface shoe. 3) When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.



Dragon 36 State 505H

868' FSL

Revised Wellbore

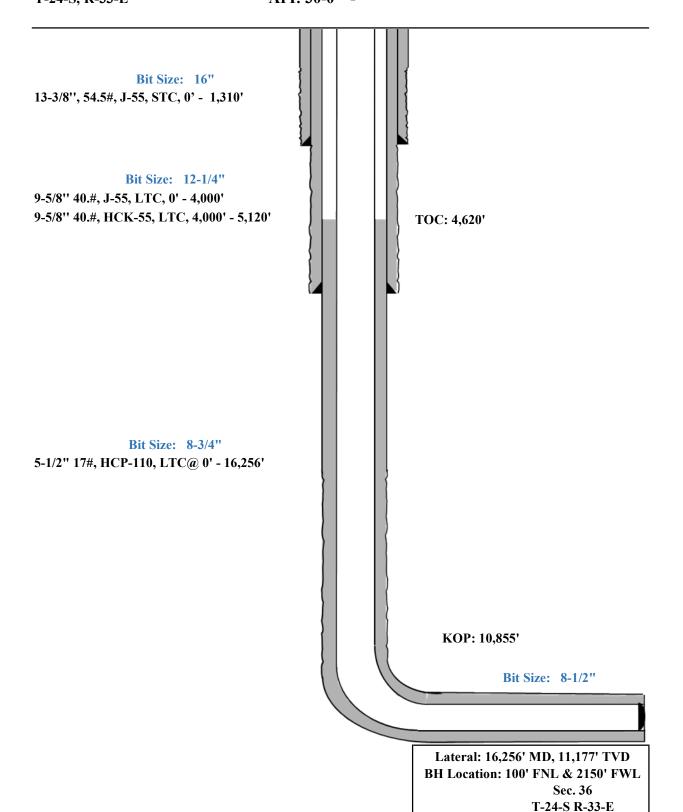
KB: 3501' GL: 3476'

2018' FEL

Section 36

T-24-S, R-33-E

API: 30-0**-***



Page 1 of 5



Dragon 36 State 505H

Permit Information:

Well Name: Dragon 36 State 505H

Location: SHL: 868' FSL & 2018' FEL, Section 36, T-24-S, R-33-E, Lea Co., N.M.

BHL: 100' FNL & 2150' FWL, Section 36, T-24-S, R-33-E, Lea Co., N.M.

Casing Program:

Hole		Csg				DFmin	DFmin	DFmin
Size	Interval	OD	Weight	Grade	Conn	Collapse	Burst	Tension
16"	0' - 1,310'	13.375"	54.5#	J-55	STC	1.125	1.25	1.6
12.25"	0' - 4,000'	9.625"	40#	J-55	LTC	1.125	1.25	1.6
12.25"	4,000' - 5,120'	9.625"	40#	HCK-55	LTC	1.125	1.25	1.6
8.75"	0' - 11,605'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.6
8.5"	11,605' - 16,256'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.6

Cementing Program:

	<u> </u>	Wt.	Yld	Slurry Description
Depth	No. Sacks	ppg	Ft3/sk	Siurry Description
4 040	390	13.5	1.73	Lead: Class C + 4.0% Bentonite Gel + 0.5% CaCl2 + 0.25 lb/sk Cello-Flake (TOC @ Surface)
1,310'	100	14.8	1.34	Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
5,120'	750	12.7	2.22	Lead: Class C + 10% NaCl + 6% Bentonite Gel + 3% MagOx (TOC @ Surface)
3,120	320	14.8	1.32	Tail: Class C + 10% NaCL + 3% MagOx
16,256'	630	11.0	3.21	Lead: Class C + 3% CaCl2 + 3% Microbond (TOC @ 4,620')
10,230	1330	14.4	1.2	Tail: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% Microbond

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 1,310'	Fresh - Gel	8.6-8.8	28-34	N/c
1,310' – 5,120'	Brine	8.6-8.8	28-34	N/c
5,120' – 16,256' Lateral	Oil Base	8.8-9.5	58-68	N/c - 6



Dragon 36 State 505H

Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:
 - Well control equipment
 - a. Flare line 150' from wellhead to be ignited by flare gun.
 - b. Choke manifold with a remotely operated choke.
 - c. Mud/gas separator
 - Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escape packs —4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
- c. Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
- b. Two OSHA full body harness
- c. 100 ft 5/8 inch OSHA approved rope
- d. 1-20# class ABC fire extinguisher
- H2S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.
 - a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
 - b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
 - c. Two wind socks will be placed in strategic locations, visible from all angles.



■ Mud program:

The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

■ Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

■ Communication:

Communication will be via cell phones and land lines where available.



Dragon 36 State 505H Emergency Assistance Telephone List

PUBLIC SAFET	Y:	•	911 or
Lea County Sherif	f's Department		(575) 396-3611
	Rod Coffman		
Fire Department:			
	Carlsbad		(575) 885-3125
	Artesia		(575) 746-5050
Hospitals:			
	Carlsbad		(575) 887-4121
	Artesia		(575) 748-3333
	Hobbs		(575) 392-1979
Dept. of Public Sa	fety/Carlsbad		(575) 748-9718
Highway Departm			(575) 885-3281
New Mexico Oil O			(575) 476-3440
U.S. Dept. of Laboration	or		(575) 887-1174
EOG Resources ,	Inc.		
EOG / Midland		Office	(432) 686-3600
Company Drillin	g Consultants:		
David Dominque		Cell	(985) 518-5839
Mike Vann		Cell	(817) 980-5507
Drilling Engineer			
Esteban Del Valle		Cell	(432) 269-7063
Daniel Moose		Cell	(432) 312-2803
Drilling Manager	•		
Aj Dach		Office	(432) 686-3751
		Cell	(817) 480-1167
Drilling Superint	endent		
Jason Townsend		Office	(432) 848-9209
		Cell	(210) 776-5131
H&P Drilling			
H&P Drilling		Office	(432) 563-5757
H&P 651 Drilling	Rig	Rig	(903) 509-7131
men our brining	1115	Mg	(303) 203 7131
Tool Pusher:			
Johnathan Craig		Cell	(817) 760-6374
Brad Garrett			` /
Safety:			
Brian Chandler (H	ISE Manager)	Office	(432) 686-3695
		Cell	(817) 239-0251



Midland

Lea County, NM (NAD 83 NME) Dragon 36 State #505H

OH

Plan: Plan #0.1

Standard Planning Report

03 August, 2021



Planning Report

Database: Company: PEDM Midland

Project: Site:

Lea County, NM (NAD 83 NME)

Dragon 36 State Well: #505H Wellbore: ОН Design: Plan #0.1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well #505H

KB 25 @ 3501.0usft KB 25 @ 3501.0usft

Minimum Curvature

Project

Lea County, NM (NAD 83 NME)

Map System: Geo Datum:

US State Plane 1983 North American Datum 1983 System Datum:

Mean Sea Level

Map Zone:

From:

Well

New Mexico Eastern Zone

Dragon 36 State

Site Site Position:

Мар

#505H +N/-S

Northing: Easting:

426,079.00 usft 793,102.00 usft Latitude:

32° 10' 7.510 N

Position Uncertainty:

0.0 usft

Slot Radius:

13-3/16 "

Longitude:

103° 31' 10.836 W

Northing:

426,228.00 usft

Latitude: Longitude:

32° 10' 9.085 N 103° 31' 26.493 W

Position Uncertainty Grid Convergence:

Well Position

+E/-W 0.0 usft 0.0 usft

0.0 usft

0.43°

Easting: Wellhead Elevation: 791,755.00 usft usft

Ground Level:

3,476.0 usft

Wellbore

ОН

Plan #0.1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2020	8/3/2021	6.50	59.85	47,452.19973099

Design

Audit Notes:

Version:

Phase:

PLAN

Tie On Depth:

0.0

Vertical Section:

Depth From (TVD) (usft) 0.0

+N/-S (usft)

0.0

+E/-W (usft) 0.0

Direction (°) 345.07

Plan Survey Tool Program

Date 8/3/2021

Depth From Depth To (usft)

(usft)

Survey (Wellbore)

Tool Name

Remarks

0.0 16,256.0

Plan #0.1 (OH)

EOG MWD+IFR1 MWD + IFR1

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,968.1	13.36	233.41	1,962.1	-46.2	-62.3	2.00	2.00	0.00	233.41	
7,278.7	13.36	233.41	7,128.9	-777.8	-1,047.7	0.00	0.00	0.00	0.00	
7,946.8	0.00	0.00	7,791.0	-824.0	-1,110.0	2.00	-2.00	0.00	180.00	
10,855.3	0.00	0.00	10,699.5	-824.0	-1,110.0	0.00	0.00	0.00	0.00	KOP(Dragon 36 State
11,605.3	90.00	359.58	11,177.0	-346.6	-1,113.5	12.00	12.00	-0.06	359.58	
16,256.0	90.00	359.58	11,177.0	4,304.0	-1,148.0	0.00	0.00	0.00	0.00	PBHL(Dragon 36 Stat

eog resources

Planning Report

Database: PEDM Company: Midland

Project: Lea County, NM (NAD 83 NME)

Site: Dragon 36 State

 Well:
 #505H

 Wellbore:
 OH

 Design:
 Plan #0.1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well #505H

KB 25 @ 3501.0usft KB 25 @ 3501.0usft

Grid

ned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0					0.00	
				0.0	0.0	0.0	0.00		0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	2.00	233.41	1,400.0	-1.0	-1.4	-0.6	2.00	2.00	0.00
1,500.0	4.00	233.41	1,499.8	-4.2	-5.6	-2.6	2.00	2.00	0.00
1,600.0	6.00	233.41	1,599.5	-9.4	-12.6	-2.0 -5.8	2.00	2.00	0.00
1,700.0	8.00	233.41	1,698.7	-16.6	-22.4	-10.3	2.00	2.00	0.00
1,800.0	10.00	233.41	1,797.5	-25.9	-34.9	-16.1	2.00	2.00	0.00
1,900.0	12.00	233.41	1,895.6	-37.3	-50.3	-23.1	2.00	2.00	0.00
1,968.1	13.36	233.41	1,962.1	-46.2	-62.3	-28.6	2.00	2.00	0.00
2,000.0	13.36	233.41	1,993.1	-50.6	-68.2	-31.3	0.00	0.00	0.00
2,100.0	13.36	233.41	2,090.4	-64.4	-86.7	-39.9	0.00	0.00	0.00
2,200.0	13.36	233.41	2,187.7	-78.2	-105.3	-48.4	0.00	0.00	0.00
2,300.0	13.36	233.41	2,285.0	-91.9	-123.9	-56.9	0.00	0.00	0.00
2,400.0						-65.4	0.00		0.00
	13.36	233.41	2,382.3	-105.7	-142.4			0.00	
2,500.0	13.36	233.41	2,479.6	-119.5	-161.0	-74.0	0.00	0.00	0.00
2,600.0	13.36	233.41	2,576.9	-133.3	-179.5	-82.5	0.00	0.00	0.00
2,700.0	13.36	233.41	2,674.1	-147.0	-198.1	-91.0	0.00	0.00	0.00
2,800.0	13.36	233.41	2,771.4	-160.8	-216.6	-99.6	0.00	0.00	0.00
2,900.0	13.36	233.41	2,868.7	-174.6	-235.2	-108.1	0.00	0.00	0.00
3,000.0	13.36	233.41	2,966.0	-188.4	-253.8	-116.6	0.00	0.00	0.00
3,100.0	13.36	233.41	3,063.3	-202.1	-272.3	-125.1	0.00	0.00	0.00
3,200.0	13.36	233.41	3,160.6	-215.9	-290.9	-133.7	0.00	0.00	0.00
3,300.0	13.36	233.41	3,257.9	-219.9	-309.4	-142.2	0.00	0.00	0.00
			,						
3,400.0	13.36	233.41	3,355.2	-243.5	-328.0	-150.7	0.00	0.00	0.00
3,500.0	13.36	233.41	3,452.5	-257.2	-346.5	-159.2	0.00	0.00	0.00
3,600.0	13.36	233.41	3,549.8	-271.0	-365.1	-167.8	0.00	0.00	0.00
3,700.0	13.36	233.41	3,647.1	-284.8	-383.6	-176.3	0.00	0.00	0.00
3,800.0	13.36	233.41	3,744.4	-298.6	-402.2	-184.8	0.00	0.00	0.00
3,900.0	13.36	233.41	3,841.7	-312.3	-420.8	-193.4	0.00	0.00	0.00
4,000.0	13.36	233.41	3,939.0	-326.1	-439.3	-201.9	0.00	0.00	0.00
4,100.0	13.36	233.41	4,036.2	-339.9	-457.9	-210.4	0.00	0.00	0.00
4,200.0	13.36	233.41	4,133.5	-353.7	-476.4	-218.9	0.00	0.00	0.00
4,300.0	13.36	233.41	4,230.8	-367.4	-495.0	-210.9	0.00	0.00	0.00
4,400.0	13.36	233.41	4,328.1	-381.2	-513.5	-236.0	0.00	0.00	0.00
4,500.0	13.36	233.41	4,425.4	-395.0	-532.1	-244.5	0.00	0.00	0.00
4,600.0	13.36	233.41	4,522.7	-408.8	-550.7	-253.1	0.00	0.00	0.00
4,700.0	13.36	233.41	4,620.0	-422.5	-569.2	-261.6	0.00	0.00	0.00
4,800.0	13.36	233.41	4,717.3	-436.3	-587.8	-270.1	0.00	0.00	0.00
4,900.0	13.36	233.41	4,814.6	-450.1	-606.3	-278.6	0.00	0.00	0.00
5,000.0	13.36	233.41	4,911.9	-463.9	-624.9	-276.0	0.00	0.00	0.00
5,100.0	13.36	233.41		-403.9 -477.6	-643.4	-207.2 -295.7	0.00	0.00	0.00
5,200.0	13.36	233.41	5,009.2 5,106.5	-477.6 -491.4	-643.4 -662.0	-304.2	0.00	0.00	0.00

beog resources

Planning Report

Database: Company: PEDM Midland

Lea County, NM (NAD 83 NME)

Project: Site: Well:

Dragon 36 State #505H

Wellbore: OH
Design: Plan #0.1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well #505H

KB 25 @ 3501.0usft KB 25 @ 3501.0usft

Grid

esign:	Plan #0.1								
lanned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,300.0	13.36	233.41	5,203.8	-505.2	-680.5	-312.7	0.00	0.00	0.00
5,400.0	13.36	233.41	5,301.1	-519.0	-699.1	-321.3	0.00	0.00	0.00
5,500.0	13.36	233.41	5,398.3	-532.7	-717.7	-329.8	0.00	0.00	0.00
5,600.0	13.36	233.41	5,495.6	-546.5	-736.2	-338.3	0.00	0.00	0.00
5,700.0	13.36	233.41	5,592.9	-560.3	-754.8	-346.9	0.00	0.00	0.00
5,800.0	13.36	233.41	5,690.2	-574.1	-773.3	-355.4	0.00	0.00	0.00
5.900.0	13.36	233.41	5,787.5	-587.9	-791.9	-363.9	0.00	0.00	0.00
6,000.0	13.36	233.41	5,884.8	-601.6	-810.4	-372.4	0.00	0.00	0.00
6,100.0	13.36	233.41	5,982.1	-615.4	-829.0	-381.0	0.00	0.00	0.00
6,200.0	13.36	233.41	6,079.4	-629.2	-847.6	-389.5	0.00	0.00	0.00
6,300.0	13.36	233.41	6,176.7	-643.0	-866.1	-398.0	0.00	0.00	0.00
6,400.0	13.36	233.41	6,274.0	-656.7	-884.7	-406.5	0.00	0.00	0.00
6,500.0	13.36	233.41	6,371.3	-670.5	-903.2	-415.1	0.00	0.00	0.00
6,600.0	13.36	233.41	6,468.6	-684.3	-921.8	-423.6	0.00	0.00	0.00
6,700.0	13.36	233.41	6,565.9	-698.1	-940.3	-432.1	0.00	0.00	0.00
6,800.0	13.36	233.41	6,663.2	-711.8	-958.9	-440.7	0.00	0.00	0.00
6,900.0	13.36	233.41	6,760.4	-725.6	-977.4	-449.2	0.00	0.00	0.00
7,000.0	13.36	233.41	6,857.7	-739.4	-996.0	-457.7	0.00	0.00	0.00
7,100.0	13.36	233.41	6,955.0	-753.2	-1,014.6	-466.2	0.00	0.00	0.00
7,200.0	13.36	233.41	7,052.3	-766.9	-1,033.1	-474.8	0.00	0.00	0.00
7,278.7	13.36	233.41	7,128.9	-777.8	-1,047.7	-481.5	0.00	0.00	0.00
7,300.0	12.94	233.41	7,149.6	-780.7	-1,051.6	-483.3	2.00	-2.00	0.00
7,400.0	10.94	233.41	7,247.5	-793.0	-1,068.2	-490.9	2.00	-2.00	0.00
7,500.0	8.94	233.41	7,346.0	-803.3	-1,082.1	-497.3	2.00	-2.00	0.00
7,600.0	6.94	233.41	7,445.0	-811.5	-1,093.2	-502.4	2.00	-2.00	0.00
7,700.0	4.94	233.41	7,544.5	-817.7	-1,101.5	-506.2	2.00	-2.00	0.00
7,800.0	2.94	233.41	7,644.2	-821.8	-1,107.0	-508.7	2.00	-2.00	0.00
7,900.0	0.94	233.41	7,744.2	-823.8	-1,109.7	-510.0	2.00	-2.00	0.00
7,946.8	0.00	0.00	7,791.0	-824.0	-1,110.0	-510.1	2.00	-2.00	0.00
8,000.0	0.00	0.00	7,844.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,100.0	0.00	0.00	7,944.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,200.0	0.00	0.00	8,044.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,300.0	0.00	0.00	8,144.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,400.0	0.00	0.00	8,244.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,500.0	0.00	0.00	8,344.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,600.0	0.00	0.00	8,444.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,700.0	0.00	0.00	8,544.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,800.0	0.00	0.00	8,644.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
8,900.0	0.00	0.00	8,744.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,000.0	0.00	0.00	8,844.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,100.0	0.00	0.00	8,944.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,200.0	0.00	0.00	9,044.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,300.0	0.00	0.00	9,144.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,400.0	0.00	0.00	9,244.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,500.0	0.00	0.00	9,344.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,600.0	0.00	0.00	9,444.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,700.0	0.00	0.00	9,544.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,800.0	0.00	0.00	9,644.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
9,900.0	0.00	0.00	9,744.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,000.0	0.00	0.00	9,844.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,100.0	0.00	0.00	9,944.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,200.0	0.00	0.00	10,044.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,300.0	0.00	0.00	10,144.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,400.0	0.00	0.00	10,244.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00

eog resources

Planning Report

Database: Company: PEDM Midland

Lea County, NM (NAD 83 NME)

Project: Lea County, NM Site: Dragon 36 State

 Well:
 #505H

 Wellbore:
 OH

 Design:
 Plan #0.1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well #505H

KB 25 @ 3501.0usft KB 25 @ 3501.0usft

Grid

Design:	Plan #0.1								
Planned Survey									
Measured Depth (usft)	d Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,500 10,600		0.00 0.00	10,344.2 10,444.2	-824.0 -824.0	-1,110.0 -1,110.0	-510.1 -510.1	0.00 0.00	0.00 0.00	0.00 0.00
10,700	0.00	0.00	10,544.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,800		0.00	10,644.2	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,855	5.3 0.00 agon 36 State #505H	0.00	10,699.5	-824.0	-1,110.0	-510.1	0.00	0.00	0.00
10,875	•	359.58	10.719.2	-823.6	-1,110.0	-509.7	12.00	12.00	0.00
10,900	0.0 5.36	359.58	10,744.1	-821.9	-1,110.0	-508.1	12.00	12.00	0.00
10,925		359.58	10,768.9	-818.9	-1,110.0	-505.2	12.00	12.00	0.00
10,950		359.58	10,793.5	-814.6	-1,110.1	-501.0	12.00	12.00	0.00
10,975 11,000		359.58 359.58	10,817.9 10,842.0	-809.1 -802.3	-1,110.1 -1,110.2	-495.7 -489.0	12.00 12.00	12.00 12.00	0.00 0.00
11,025		359.58	10,865.6	-794.2	-1,110.2	-481.2	12.00	12.00	0.00
11,050	0.0 23.36	359.58	10,888.8	-784.9	-1,110.3	-472.2	12.00	12.00	0.00
11,075		359.58	10,911.5	-774.4	-1,110.4	-462.0	12.00	12.00	0.00
11,100		359.58	10,933.6	-762.7	-1,110.5	-450.7	12.00	12.00	0.00
11,125 11,150		359.58 359.58	10,955.0 10,975.8	-749.9 -735.9	-1,110.5 -1,110.7	-438.3 -424.8	12.00 12.00	12.00 12.00	0.00 0.00
11.175	5.0 38.36	359.58	10,995.8	-720.9	-1,110.8	-410.3	12.00	12.00	0.00
11,200		359.58	11,015.0	-704.9	-1,110.9	-394.8	12.00	12.00	0.00
11,225		359.58	11,033.3	-687.9	-1,111.0	-378.3	12.00	12.00	0.00
11,250	0.0 47.36	359.58	11,050.7	-670.0	-1,111.1	-361.0	12.00	12.00	0.00
11,254	47.93	359.58	11,053.9	-666.5	-1,111.2	-357.6	12.00	12.00	0.00
FTP(Dra	gon 36 State #505H)							
11,275	5.0 50.36	359.58	11,067.2	-651.2	-1,111.3	-342.8	12.00	12.00	0.00
11,300		359.58	11,087.2	-631.5	-1,111.3 -1,111.4	-342.6	12.00	12.00	0.00
11,325		359.58	11,097.0	-611.1	-1,111.6	-323.7	12.00	12.00	0.00
11,350		359.58	11,110.3	-589.9	-1,111.7	-283.4	12.00	12.00	0.00
11,375		359.58	11,122.5	-568.1	-1,111.9	-262.3	12.00	12.00	0.00
11,400		359.58	11,133.5	-545.6	-1,112.1	-240.6	12.00	12.00	0.00
11,425		359.58	11,143.3	-522.6	-1,112.2	-218.3	12.00	12.00	0.00
11,450		359.58	11,151.9	-499.2	-1,112.4	-195.6	12.00	12.00	0.00
11,475		359.58	11,159.3	-475.3	-1,112.6	-172.5	12.00	12.00	0.00
11,500 11,525		359.58 359.58	11,165.4 11,170.2	-451.0 -426.5	-1,112.8 -1,112.9	-149.0 -125.3	12.00 12.00	12.00 12.00	0.00
11,525		359.58	11,170.2	-426.5 -401.8	-1,112.9	-125.3	12.00	12.00	0.00
11,575		359.58	11,173.0	-376.9	-1,113.1	-77.2	12.00	12.00	0.00
11,600		359.58	11,176.9	-351.9	-1,113.5	-53.0	12.00	12.00	0.00
11,605	5.3 90.00	359.58	11,177.0	-346.6	-1,113.5	-47.9	12.00	12.00	0.00
11,700		359.58	11,177.0	-251.9	-1,114.2	43.8	0.00	0.00	0.00
11,800		359.58	11,177.0	-151.9	-1,115.0	140.6	0.00	0.00	0.00
11,900		359.58	11,177.0	-51.9	-1,115.7	237.4	0.00	0.00	0.00
12,000 12,100		359.58 359.58	11,177.0 11,177.0	48.1 148.1	-1,116.5 -1,117.2	334.2 431.0	0.00 0.00	0.00 0.00	0.00 0.00
12,200 12,300		359.58 359.58	11,177.0 11,177.0	248.1 348.1	-1,117.9 -1,118.7	527.8 624.6	0.00 0.00	0.00 0.00	0.00 0.00
12,400		359.58	11,177.0	448.1	-1,110.7	721.4	0.00	0.00	0.00
12,500		359.58	11,177.0	548.1	-1,113.4	818.3	0.00	0.00	0.00
12,600		359.58	11,177.0	648.1	-1,120.9	915.1	0.00	0.00	0.00
12,700		359.58	11,177.0	748.1	-1,121.6	1,011.9	0.00	0.00	0.00
12,800		359.58	11,177.0	848.1	-1,122.4	1,108.7	0.00	0.00	0.00
12,900		359.58	11,177.0	948.1	-1,123.1	1,205.5	0.00	0.00	0.00
13,000		359.58	11,177.0	1,048.1	-1,123.9	1,302.3	0.00	0.00	0.00
13,100	0.0 90.00	359.58	11,177.0	1,148.1	-1,124.6	1,399.1	0.00	0.00	0.00

eog resources

Planning Report

Database: Company: PEDM Midland

Project: Site:

Lea County, NM (NAD 83 NME) Dragon 36 State

#505H Well: ОН Wellbore: Design: Plan #0.1 Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well #505H

KB 25 @ 3501.0usft KB 25 @ 3501.0usft

Grid

lanned Survey Measured									
Depth (usft)	Inclination	Azimuth	Vertical Depth (usft)	+N/-S	+E/-W	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
(usit)	(°)	(°)	(usit)	(usft)	(usft)	(usit)	(7100usit)	(7100usit)	(7100usit)
13,200.0	90.00	359.58	11,177.0	1,248.1	-1,125.4	1,495.9	0.00	0.00	0.00
13,300.0	90.00	359.58	11,177.0	1,348.1	-1,126.1	1,592.7	0.00	0.00	0.00
13,400.0	90.00	359.58	11,177.0	1,448.1	-1,126.8	1,689.5	0.00	0.00	0.00
13,500.0	90.00	359.58	11,177.0	1,548.1	-1,127.6	1,786.4	0.00	0.00	0.00
13,600.0	90.00	359.58	11,177.0	1,648.1	-1,128.3	1,883.2	0.00	0.00	0.00
13,700.0	90.00	359.58	11,177.0	1,748.1	-1,129.1	1,980.0	0.00	0.00	0.00
13,800.0	90.00	359.58	11,177.0	1,848.0	-1,129.8	2,076.8	0.00	0.00	0.00
13,900.0	90.00	359.58	11,177.0	1,948.0	-1,130.5	2,173.6	0.00	0.00	0.00
14,000.0	90.00	359.58	11,177.0	2,048.0	-1,131.3	2,270.4	0.00	0.00	0.00
14,100.0	90.00	359.58	11,177.0	2,148.0	-1,132.0	2,367.2	0.00	0.00	0.00
14,200.0	90.00	359.58	11,177.0	2,248.0	-1,132.8	2,464.0	0.00	0.00	0.00
14,300.0	90.00	359.58	11,177.0	2,348.0	-1,133.5	2,560.8	0.00	0.00	0.00
14,400.0	90.00	359.58	11,177.0	2,448.0	-1,134.2	2,657.7	0.00	0.00	0.00
14,500.0	90.00	359.58	11,177.0	2,548.0	-1,135.0	2,754.5	0.00	0.00	0.00
14,600.0	90.00	359.58	11,177.0	2,648.0	-1,135.7	2,851.3	0.00	0.00	0.00
14,700.0	90.00	359.58	11,177.0	2,748.0	-1,136.5	2,948.1	0.00	0.00	0.00
14,800.0	90.00	359.58	11,177.0	2,848.0	-1,137.2	3,044.9	0.00	0.00	0.00
14,900.0	90.00	359.58	11,177.0	2,948.0	-1,138.0	3,141.7	0.00	0.00	0.00
15,000.0	90.00	359.58	11,177.0	3,048.0	-1,138.7	3,238.5	0.00	0.00	0.00
15,100.0	90.00	359.58	11,177.0	3,148.0	-1,139.4	3,335.3	0.00	0.00	0.00
15,200.0	90.00	359.58	11,177.0	3,248.0	-1,140.2	3,432.1	0.00	0.00	0.00
15,300.0	90.00	359.58	11,177.0	3,348.0	-1,140.9	3,528.9	0.00	0.00	0.00
15,400.0	90.00	359.58	11,177.0	3,448.0	-1,141.7	3,625.8	0.00	0.00	0.00
15,500.0	90.00	359.58	11,177.0	3,548.0	-1,142.4	3,722.6	0.00	0.00	0.00
15,600.0	90.00	359.58	11,177.0	3,648.0	-1,143.1	3,819.4	0.00	0.00	0.00
15,700.0	90.00	359.58	11,177.0	3,748.0	-1,143.9	3,916.2	0.00	0.00	0.00
15,800.0	90.00	359.58	11,177.0	3,848.0	-1,144.6	4,013.0	0.00	0.00	0.00
15,900.0	90.00	359.58	11,177.0	3,948.0	-1,145.4	4,109.8	0.00	0.00	0.00
16,000.0	90.00	359.58	11,177.0	4,048.0	-1,146.1	4,206.6	0.00	0.00	0.00
16,100.0	90.00	359.58	11,177.0	4,148.0	-1,146.8	4,303.4	0.00	0.00	0.00
16,200.0	90.00	359.58	11,177.0	4,248.0	-1,147.6	4,400.2	0.00	0.00	0.00
16,256.0	90.00	359.58	11,177.0	4,304.0	-1,148.0	4,454.5	0.00	0.00	0.00

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
KOP(Dragon 36 State #! - plan hits target cent - Point	0.00 er	0.00	10,699.5	-824.0	-1,110.0	425,404.00	790,645.00	32° 10' 1.013 N	103° 31' 39.478 W
FTP(Dragon 36 State #5 - plan misses target o - Point	0.00 center by 163	0.00 .4usft at 112	11,177.0 54.7usft MD	-774.0 (11053.9 TVD	-1,110.0), -666.5 N, -11	425,454.00 111.2 E)	790,645.00	32° 10′ 1.508 N	103° 31' 39.474 W
PBHL(Dragon 36 State # - plan hits target cent - Point	0.00 er	0.00	11,177.0	4,304.0	-1,148.0	430,532.00	790,607.00	32° 10′ 51.759 N	103° 31' 39.474 W



T M

Azimuths to Grid North
True North: -0.43°
Magnetic North: 6.07°

Magnetic Field Strength: 47452.2nT Dip Angle: 59.85° Date: 8/3/2021 Model: IGRF2020

To convert a Magnetic Direction to a Grid Direction, Add 6.07° To convert a Magnetic Direction to a True Direction, Add 6.50° East To convert a True Direction to a Grid Direction, Subtract 0.43°

Lea County, NM (NAD 83 NME)

Dragon 36 State

#505H

Plan #0.1

PROJECT DETAILS: Lea County, NM (NAD 83 NME)

Geodetic System: US State Plane 1983
Datum: North American Datum 1983

Ellipsoid: GRS 1980

Zone: New Mexico Eastern Zone

System Datum: Mean Sea Level

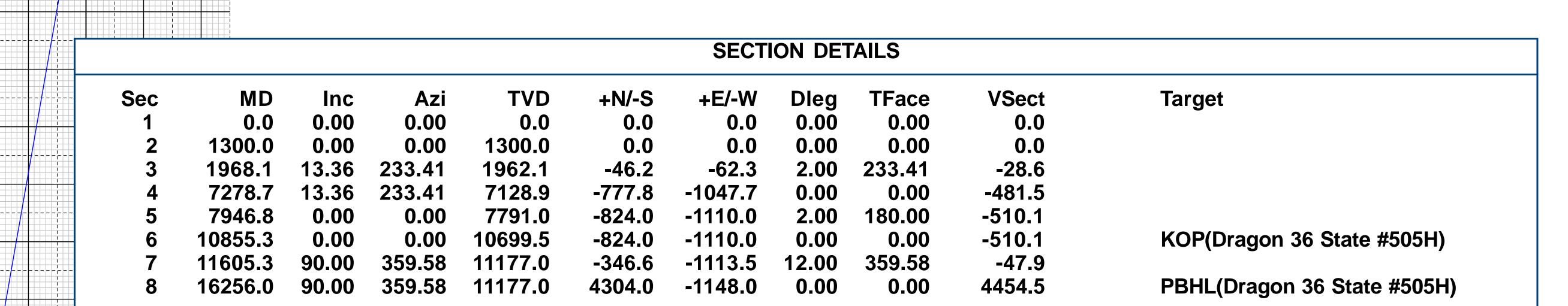
WELL DETAILS: #505H

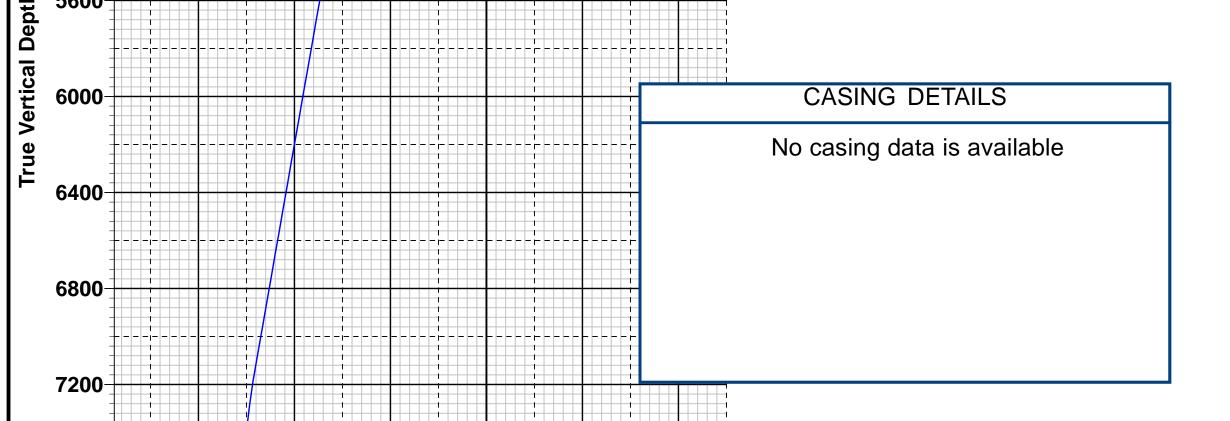
3476.0

KB 25 @ 3501.0usft

Northing Easting Latittude
426228.00 791755.00 32° 10' 9.085 N

Longitude 103° 31' 26.493 W





1200

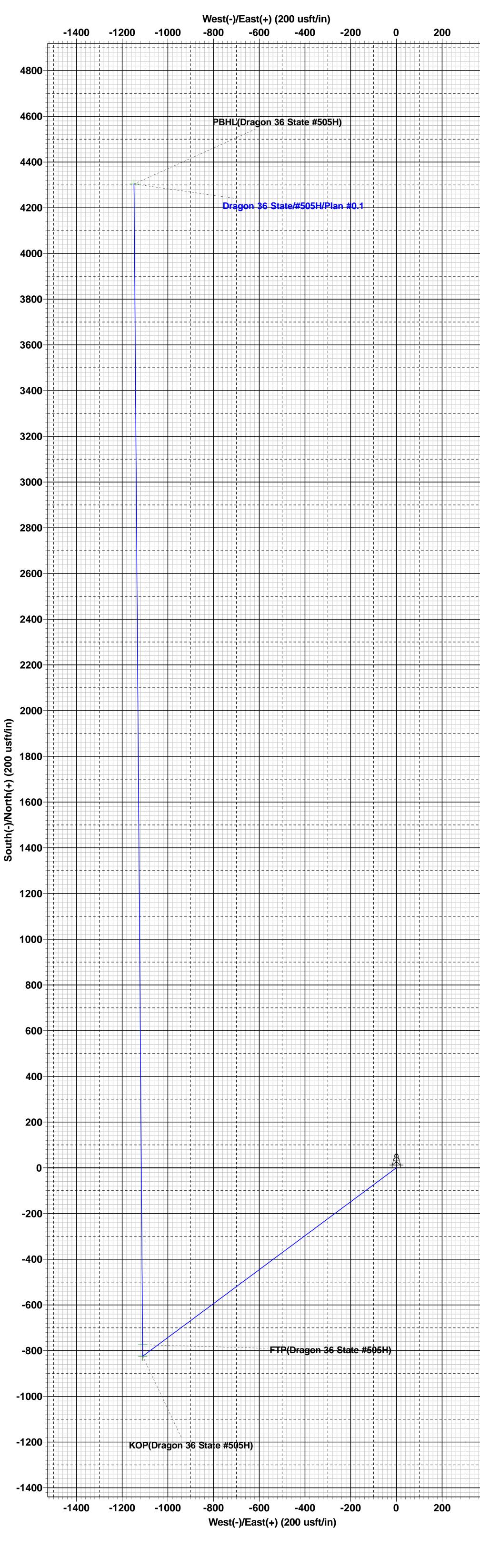
2400

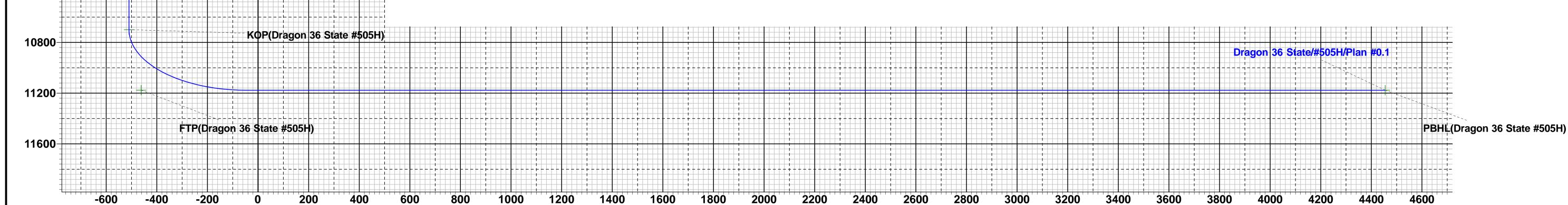
2800

3200

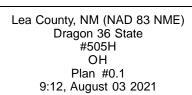
3600

WEL	WELLBORE TARGET DETAILS (MAP CO-ORDINATES)							
Name	TVD	+N/-S	+E/-W	Northing	Easting			
KOP(Dragon 36 State #505H)	10699.5	-824.0	-1110.0	425404.00	790645.00			
PBHL(Dragon 36 State #505H)	11177.0	4304.0	-1148.0	430532.00	790607.00			
FTP(Dragon 36 State #505H)	11177.0	-774.0	-1110.0	425454.00	790645.00			





Vertical Section at 345.07° (200 usft/in)



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

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

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

I. Operator:EOG R	Resources, Inc	cOGRII	D: 7377		Date:	08/03 /202	1	
II. Type: ☐ Original Other.If Other, please describe:					9.D(6)(b) N	MAC □		
III. Well(s): Provide the be recompleted from a sin					wells propos	sed to be dri	illed or proposed to	
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D		Anticipated Produced Water BBL/D	
Dragon 36 State 505H		O-36-24S-33E	868' FSL & 2018' FEL	+/- 1000	+/- 3500 +/-		000	
IV. Central Delivery Po V. Anticipated Schedu or proposed to be recomp Well Name	le: Provide th	e following inform	ation for each ne	ew or recompleted	l well or set ont.	, , , ,	-	
Well Ivallic	ALL	Spud Date	Date	Commencement		ack Date	Date	
Dragon 36 State 505H		8/16/21	8/31/21	10/1/21		1/21	12/1/21	
VII. Operational Practi Subsection A through F of VIII. Best Management during active and planned	ices: ⊠ Attac of 19.15.27.8 t Practices: [ch a complete desc NMAC.	ription of the act	tions Operator wi	ll take to co	mply with t	the requirements of	

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

		EFFECTIV	E APRIL 1, 2022		
Beginning April 1, 20 reporting area must co			with its statewide natural g	as capture requirement for the applicable	
☐ Operator certifies capture requirement f			tion because Operator is in	compliance with its statewide natural ga	
IX. Anticipated Nati	ural Gas Producti	on:			
Well		API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF	
X. Natural Gas Gatl	nering System (NC	GGS):			
Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in	
production operations the segment or portion XII. Line Capacity. production volume from XIII. Line Pressure. natural gas gathering Attach Operator's XIV. Confidentiality Section 2 as provided	s to the existing or part of the natural gas gas. The natural gas gas om the well prior to Operator Oper	planned interconnect of the signature graphs of the signature graphs of the date of first product the does not anticipate the dabove will continue to coduction in response to the serts confidentiality pursue.	he natural gas gathering systewhich the well(s) will be con will not have capacity to getion. at its existing well(s) connect meet anticipated increases in the increased line pressure. uant to Section 71-2-8 NMS 27.9 NMAC, and attaches a fixed which is a section of the connect of the con	nticipated pipeline route(s) connecting them(s), and the maximum daily capacity of nected. gather 100% of the anticipated natural gathed to the same segment, or portion, of the line pressure caused by the new well(s) SA 1978 for the information provided in full description of the specific information.	

(i)

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 🗵 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: power generation on lease; (a) **(b)** power generation for grid; (c) compression on lease; (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; (h) fuel cell production; and

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

other alternative beneficial uses approved by the division.

- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Star L Harrell
Printed Name: Star L Harrell
Title: Sr Regulatory Specialist
E-mail Address: Star_Harrell@eogresources.com
Date: 8/3/2021
Phone: (432) 848-9161
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

Natural Gas Management Plan Items VI-VIII

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

- Separation equipment will be sized to provide adequate separation for anticipated rates.
- Adequate separation relates to retention time for Liquid Liquid separation and velocity for Gas-Liquid separation.
- Collection systems are appropriately sized to handle facility production rates on all (3) phases.
- Ancillary equipment and metering is selected to be serviced without flow interruptions or the need to release
 gas from the well.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F 19.15.27.8 NMAC.

Drilling Operations

- All flare stacks will be properly sized. The flare stacks will be located at a minimum 100' from the nearest surface hole location on the pad.
- All natural gas produced during drilling operations will be flared, unless there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety and the environment, at which point the gas will be vented.

Completions/Recompletions Operations

- New wells will not be flowed back until they are connected to a properly sized gathering system.
- The facility will be built/sized for maximum anticipated flowrates and pressures to minimize waste.
- For flowback operations, multiple stages of separation will be used as well as excess VRU and blowers to make sure waste is minimized off the storage tanks and facility.
- During initial flowback, the well stream will be routed to separation equipment.
- At an existing facility, when necessary, post separation natural gas will be flared until it meets pipeline specifications, at which point it will be turned into a collection system.
- At a new facility, post separation natural gas will be vented until storage tanks can safely function, at which point it will be flared until it meets pipeline spec.

Production Operations

- Weekly AVOs will be performed on all facilities.
- All flares will be equipped with auto-ignition systems and continuous pilot operations.
- After a well is stabilized from liquid unloading, the well will be turned back into the collection system.
- All plunger lift systems will be optimized to limit the amount of waste.
- All tanks will have automatic gauging equipment installed.
- Leaking thief hatches found during AVOs will be cleaned and properly re-sealed.

Performance Standards

- Production equipment will be designed to handle maximum anticipated rates and pressure.
- All flared gas will be combusted in a flare stack that is properly sized and designed to ensure proper combustion.
- Weekly AVOs will be performed on all wells and facilities that produce more than 60 Mcfd.

Measurement & Estimation

- All volume that is flared and vented that is not measured will be estimated.
- All measurement equipment for flared volumes will conform to API 14.10.
- No meter bypasses with be installed.

• When metering is not practical due to low pressure/low rate, the vented or flared volume will be estimated.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

- During downhole well maintenance, EOG will use best management practices to vent as minimally as possible.
- Prior to the commencement of any maintenance, the tank or vessel will be isolated from the rest of the facilities.
- All valves upstream of the equipment will be closed and isolated.
- After equipment has been isolated, the equipment will be blown down to as low a pressure as possible into the collection system.
- If the equipment being maintained cannot be relieved into the collection system, it shall be released to a tank where the vapor can either be captured or combusted if possible.
- After downhole well maintenance, natural gas will be flared until it reaches pipeline specification.