EOG RESOURCES, INC. COLGROVE 35 FED COM NO. 704H

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	820'	HOBBS OCD
Top of Salt	1,160'	BPA
Base of Salt / Top Anhydrite	4,780'	FEB 06 2017
Base Anhydrite	5,030'	EB OC
Lamar	5,030'	Dr 62012
Bell Canyon	5,060'	RECEIVED
Cherry Canyon	6,085	EIVE
Brushy Canyon	7,760'	-0
Bone Spring Lime	9,245'	
1st Bone Spring Sand	10,175	
2 nd Bone Spring Shale	10,355	
2 nd Bone Spring Sand	10,680'	
3 rd Bone Spring Carb	11,150'	
3 rd Bone Spring Sand	11,760'	
Wolfcamp	12,225'	
TD	12,465'	

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	0-400'	Fresh Water
Cherry Canyon	6,085	Oil
Brushy Canyon	7,760'	Oil
1st Bone Spring Sand	10,175	Oil
2 nd Bone Spring Shale	10,355	Oil
2 nd Bone Spring Sand	11,680'	Oil
3 rd Bone Spring Carb	11,150'	Oil
3rd Bone Spring Sand	11,760'	Oil
Wolfcamp	12,225	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 10.75" casing at 845' and circulating cement back to surface.

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See COA 4. CASING PROGRAM - NEW for depth Changes

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
14.75"	0 - 845,950	10.75"	40.5#	J55	STC	1.125	1.25	1.60
8.75"	0'-11,300'	7.625"	29.7#	HCP-	FlushMax III	1.125	1.25	1.60
				110				
6.75"	0'-10,800'	5.5"	23#	HCP-	VAM Top HT	1.125	1.25	1.60
	0			110				
6.75"	10,800'-19,786'	5.5"	23#	HCP-	VAM SG	1.125	1.25	1.60
				110				

Variance is requested to wave the centralizer requirements for the 7-5/8" FJ casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

See COA

Cementing Program:

Depth	No. Sacks	Wt.	Yld Ft³/ft	Mix Water Gal/sk	Slurry Description
10-3/4"	325	13.5	1.73	9.13	Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl ₂ + 0.25
845					lb/sk Cello-Flake (TOC @ Surface)
950	200	14.8	1.34	6.34	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2%
					Sodium Metasilicate
7-5/8"	250	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2
11,300°	2000	14.8	1.38	6.48	Class C + 5% Gypsum + 3% CaCl2
	550	14.4	1.20	4.81	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20%
					CPT35 + 0.80% CPT16A + 0.25% CPT503P
5-1/2"	725	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 +
19,786					0.40% C-17 (TOC @ 10,800')

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

Additional coment may be required

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5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line).

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 3500/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 3500/250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal.

The applicable depths and properties of the drilling fluid systems are as follows.

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 - 845 950	Fresh - Gel	8.6-8.8	28-34	N/c
950845' - 11,300'	Brine	8.8-10.0	28-34	N/c
11,300' - 19,786'	Oil Base	10.0-11.5	58-68	3 - 6
Lateral	W.			

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

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7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- (A) A kelly cock will be kept in the drill string at all times.
- (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) H₂S monitoring and detection equipment will be utilized from surface casing point to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logs are not planned for this well.

GR-CCL Will be run in cased hole during completions phase of operations.

9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:

The estimated bottom-hole temperature (BHT) at TD is 182 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7454 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. Severe loss circulation is expected from 7,300' to Intermediate casing point.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

The drilling operation should be finished in approximately one month. If the well is productive, an additional 60-90 days will be required for completion and testing before a decision is made to install permanent facilities.

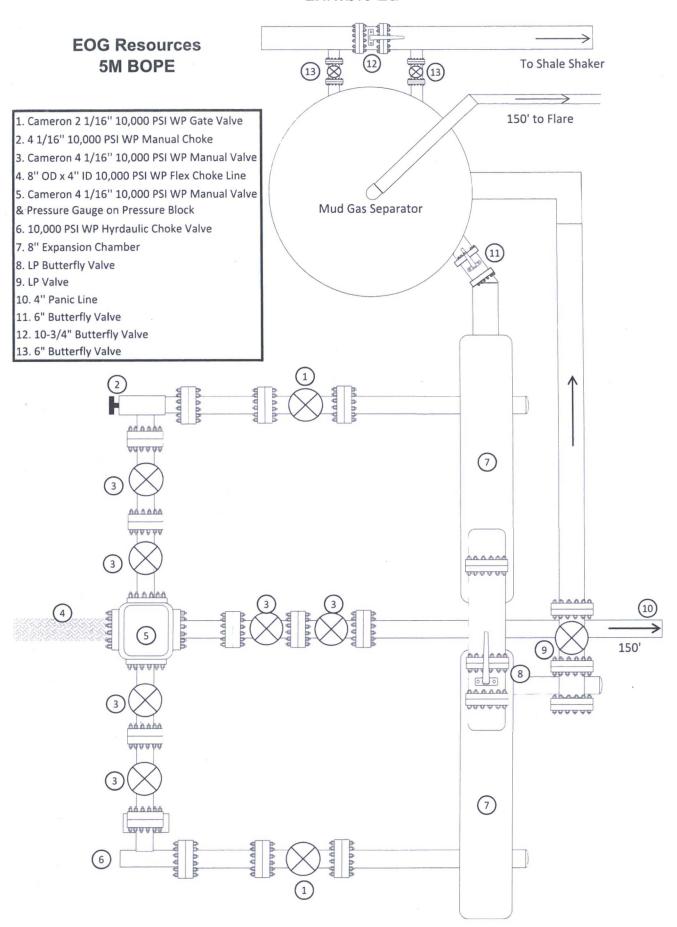
11. WELLHEAD:

A multi-bowl wellhead system will be utilized.

After running the 10-3/4" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi pressure test. This pressure test will be repeated at least every 30 days, as per Onshore Order No. 2

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 5000 psi.

Exhibit 1a



EOG Resources 5M BOPE Rig Floor 1. 13 5/8" Rotating Head 2. NOV 13 5/8" 5,000 PSI WP GK Annular Preventor 3. 13 5/8" Cameron Type "U" 10,000 PSI WP Ram Preventors 4. 2 1/16" - 10,000 PSI WP Check Valve 16) 1 5. 10,000 PSI WP - 1502 Union to kill line (17) 6. 2 1/16" - 10,000 PSI WP Manual Valves 7. 13 5/8" 3,000 PSI WP x 13 5/8" 5,000 PSI WP Spacer Spool **西南西西南西** 8. 4 1/16" 10,000 PSI WP HCR Valve 9. 4 1/16" 10,000 PSI WP Manual Valve 10. 6" OD x 3" ID 10,000 PSI WP Steel Armoured Flex Choke Line 11. DSA - 13 5/8" 10,000 PSI WP x 13 5/8" 5,000 PSI WP 12. Mud Cross - 13 5/8" 10,000 PSI WP 2 13. Blind Rams 14. Pipe Rams 15. 13 5/8" Cameron Type "U" 10,000 PSI WP Pipe Rams 16. Flow Line 17. 2" Fill Line **电音 & A A A** A HA A A AIA (11) 10

Exhibit 1

(7)



Internal Hydrostatic Test Graph

Customer: CACTUS

SALES ORDER# 90067

Hose Specifications

Hose Type

C & K

I.D.

4"

Working Pressure

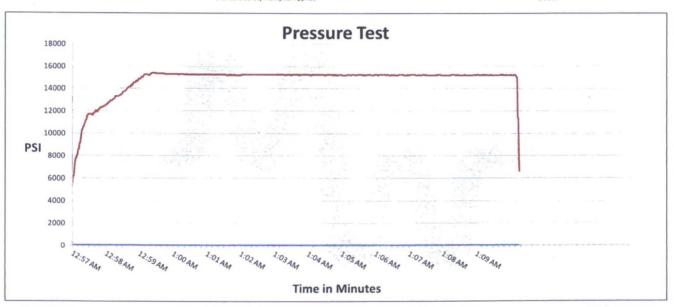
10000 PSI

Length
35'
O.D.
8"
Burst Pressure
Standard Safety Multiplier Applies

Verification

Type of Fitting
4 1/16 10K
Die Size
6.62"
Hose Serial #

Coupling Method
Swage
Final O.D.
6.68"
Hose Assembly Serial #



Test Pressure 15000 PSI Time Held at Test Pressure
11 1/4 Minutes

Actual Burst Pressure

Peak Pressure 15439 PSI

Comments: Hose assembly pressure tested with water at ambient temperature.

Tested By: Bobby Fink

Approved By: Mendi Jackson

* Mendi Jackson

Manufacturer: Midwest Hose & Specialty

Serial Number: SN#90067

Length: 35'

Size: OD = 8" ID = 4"

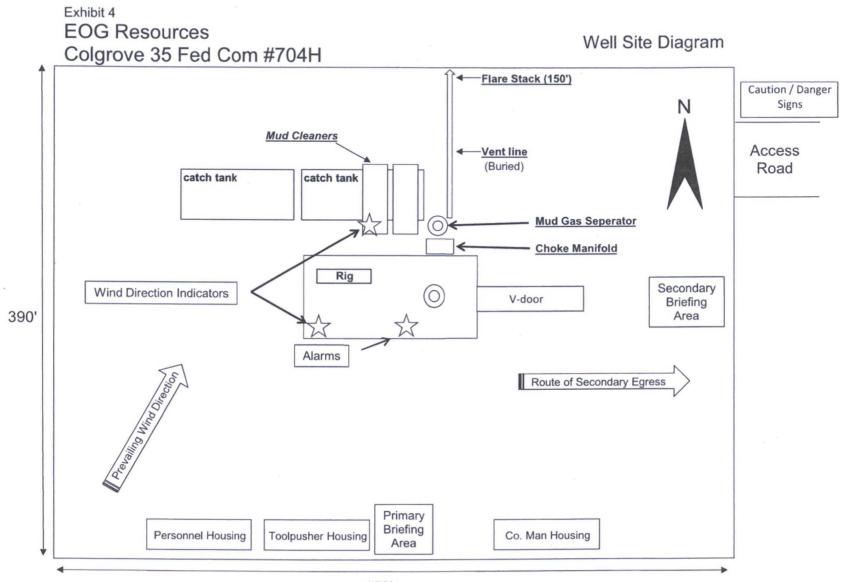
Ends: Flanges Size: 4-1/16"

WP Rating: 10,000 psi Anchors required by manfacturer: No

MIDWEST

HOSE AND SPECIALTY INC.

INTERNAL HYDROSTATIC TEST REPORT						
Customer:				P.O. Numb	er:	
CACTUS				RIG #123		
			X.	Asset # N	110761	
		HOSE SPECI	FICATIONS			
Туре: С	HOKE LIN	E		Length:	35'	
I.D. 4" INCHES			O.D.	8"	INCH	ES
WORKING PR	ESSURE	TEST PRESSUR	E	BURST PRES	SURE	
10,000	PSI	15,000	PSI			PSI
		COUP	LINGS			
Type of End	fitting					
4	1/16 10K F	LANGE				
Type of Co	upling:		MANUFACTU	RED BY		
S	WEDGED		MIDWEST HOSE & SPECIALTY			
		PROC	EDURE			
1		v pressure tested w	1			
'"	ME WELD AT	TEST PHESSURE	ACTUAL E	BURST PRESSU	IRE:	
	1	MIN.			0 P	SI
COMMENTS	:					
SI	N#90067	M10761				
He	ose is cov	ered with staini	ess steel armoi	ur cover and		
W	raped with	fire resistant v	ermiculite coat	ed fiberglas:	8	
in	sulation re	ated for 1500 de	grees complete	The same of the sa	eyes	
Date: Tested By: BOBBY FINK				Approved: MENDI J	ACKSON	1



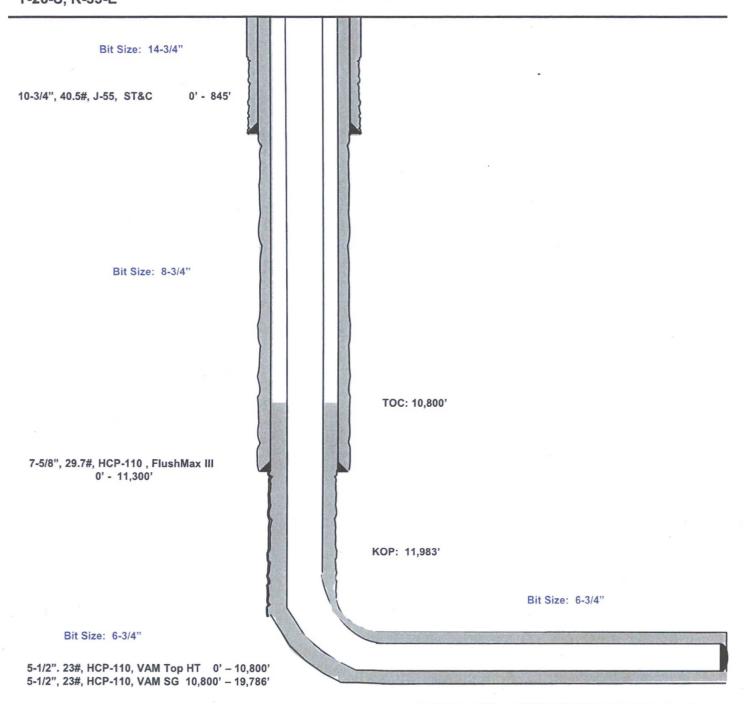
Colgrove 35 Fed Com #704H

252' FSL 2000' FWL Section 35 T-26-S, R-33-E

Lea County, New Mexico Proposed Wellbore

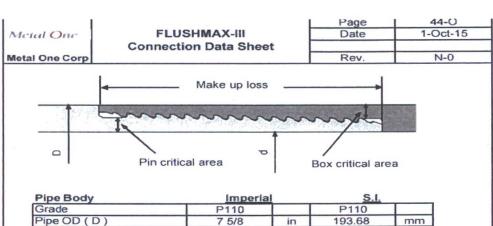
API: 30-025-****

KB: 3,345' GL: 3,320'



Lateral: 19,786' MD, 12,465' TVD Upper Most Perf: 330' FSL & 2320' FWL Sec. 35 Lower Most Perf: 330' FNL & 2311' FWL Sec. 26 BH Location: 230' FNL & 2311' FWL

Section 26 T-26-S, R-33-E



Pipe Body	Imperial		<u>S.I.</u>		
Grade	P110		P110		
Pipe OD (D)	7 5/8	in	193.68	mm	
Weight	29.7	lb/ft	44.25	kg/m	
Actual weight	29.0	lb/ft	43.26	kg/m	
Wall thickness (t)	0.375	in	9.53	mm	
Pipe ID (d)	6.875	in	174.63	mm	
Pipe body cross section	8.537	in ²	5,508	mm ²	
Drift Dia.	6.750	in	171.45	mm	

Connection					
Box OD (W)	7.625	in	193.68	mm	
PIN ID	6.875	in	174.63	mm	
Pin critical area	4.420	in ²	2,852	mm ²	
Box critical area	4.424	in ²	2,854	mm ²	
Joint load efficiency	60	%	60	%	
Make up loss	3.040	in	77.22	mm	
Thread taper	1/16 (3/4 in per ft)				
Number of threads	5 thread per in.				

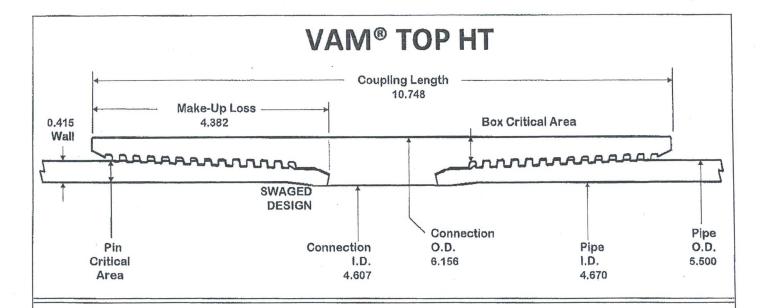
Connection Performance Properties

Tensile Yield load	563.4	kips	2,506	kN
M.I.Y.P.	7,574	psi	52.2	MPa
Collapse strength	5,350	psi	36.9	MPa

M.I.Y.P. = Minimum Internal Yield Pressure of the connection

Torque Recommended				
Min.	8,700	ft-lb	11,700	N-m
Opti.	9,700	ft-lb	13,100	N-m
Max.	10,700	ft-lb	14,500	N-m
Operational Max.	23,600	ft-lb	32,000	N-m

Note: Operational Max. torque can be applied for high torque application



O.D. 5.500 WEIGHT 23.00 WALL 0.415 GRADE NSSMC P110HC

Connection OD

DRIFT 4.545

6.156 in

PIPE BODY PROPERTIES

Material Grade	NSSMC P110HC
Min. Yield Strength	125 ksi
Min. Tensile Strength	125 ksi

Outside Diameter 5.500 in Inside Diameter 4.670 in Nominal Area 6.630 sq.in.

Yield Strength 829 kips
Ultimate Strength 829 kips
Min Internal Yield 16,510 psi
*High Collapse 16,220 psi

Contact: <u>tech.support@vam-usa.com</u>
Ref. Drawing: SI-PD 100526 Rev.B

Date: Time: 30-Apr-15 10:24 AM

CONNECTION PROPERTIES

Connection ID	4.607 in
Make up Loss	4.382 in
Coupling Length	10.748 in
Box Critical Area	6.757 sq.in.
%PB Section Area	101.9%
Pin Critical Area	6.630 sq.in.
%PB Section Area	100.0%
Yield Strength	829 kips
Parting Load	829 kips
Min Internal Yield	16,510 psi
*High Collapse	16,220 psi
Wk Compression	663 kips
Max Pure Bending	30 °/100 ft

TORQUE DATA ft-lb

TORROLDATA ICID			
min	opt	max	
13,700	15,200	16,700	

Max. Liner Torque: 20,000 ft-lb



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