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Phone: (575) 393-6161 Fax: (575) 393-0720
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Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

HOBBS OCD

JUL 28 2014

RECEIVED

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 30-025-41991	² Pool Code 97900	³ Pool Name Red Hills; Upper Bone Spring Shale
⁴ Property Code 313517	⁵ Property Name DIAMOND 5 FED COM	⁶ Well Number #7H
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3377'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	5	25-S	34-E	-	110'	SOUTH	1820'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	8	25-S	34-E	-	1306'	SOUTH	1829'	EAST	LEA

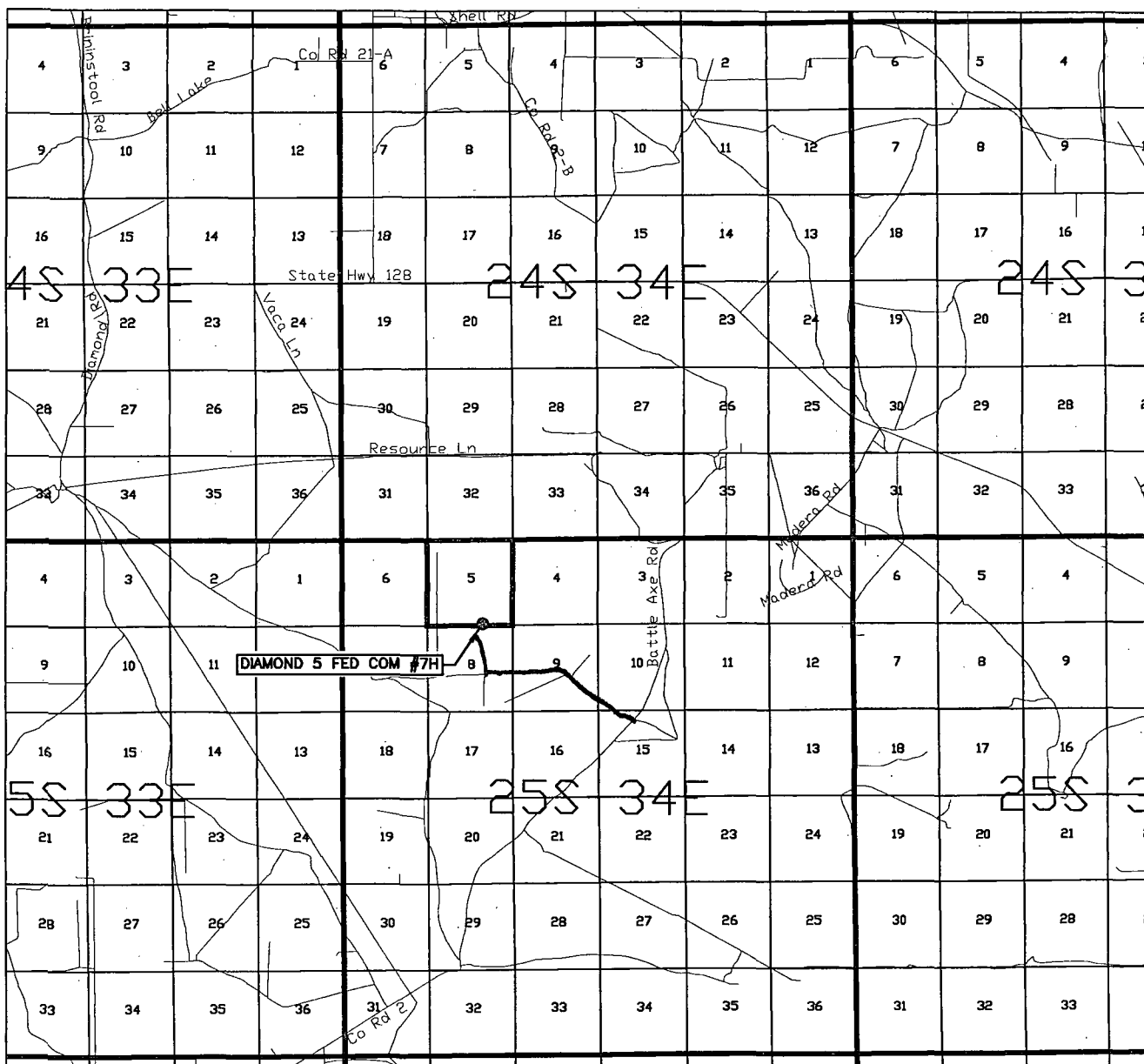
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

6 5	7 8		4	8 9	<p>¹⁷OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Stan Wagner</i> 8/29/13 Signature Date</p> <p>Stan Wagner Printed Name</p> <p>E-mail Address</p>

JUL 29 2014

EXHIBIT 2 **VICINITY MAP**



LEASE NAME & WELL NO.: DIAMOND 5 FED COM #7H

SECTION 5 TWP 25-S RGE 34-E SURVEY N.M.P.M.

COUNTY LEA STATE NM

DESCRIPTION 110' FSL & 1820' FEL

DISTANCE & DIRECTION FROM INT. OF NM-18 N & NM-128,
GO WEST ON NM-128 W ±14.1 MILES, THENCE SOUTHWEST
(LEFT) ON CR. 2/BATTLE AXE RD. ±5.7 MILES, THENCE
NORTHWEST (RIGHT) ON LEASE RD. ±2.0 MILES, THENCE NORTH
(RIGHT) ON LEASE RD. ±0.3 MILES TO A POINT ±969 FEET
SOUTH OF THE LOCATION.

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY EOG RESOURCES, INC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO STATE PLANE COORDINATE SYSTEM, EAST ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET.



SCALE: 1" = 10000'
0' 10000' 20000'

TOPOGRAPHIC

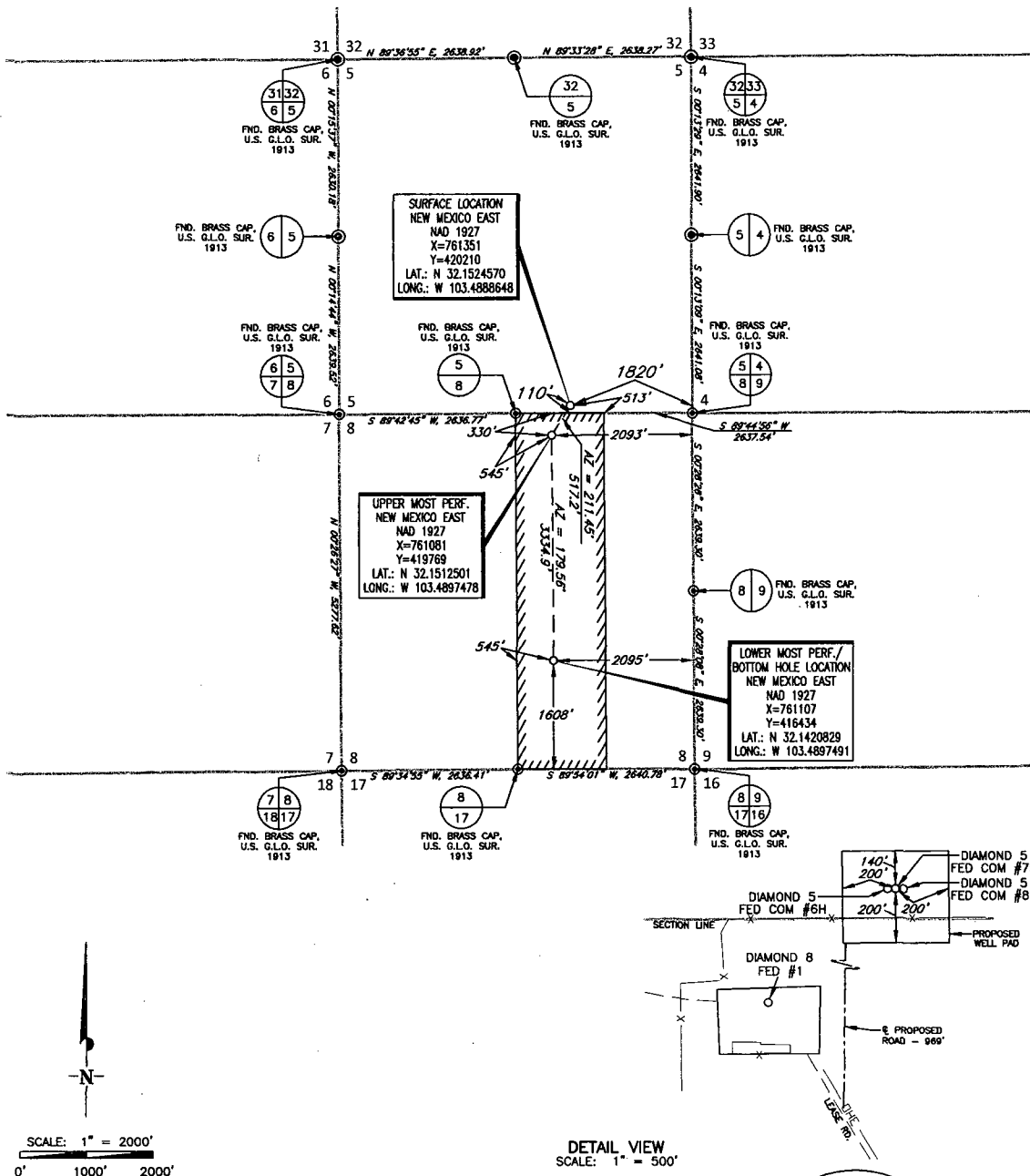
SURVEYING • MAPPING • GIS • GPS

2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 • FAX (432) 682-1743
1400 EVERMAN PARKWAY, Ste. 197 • FT. WORTH, TEXAS 76140
TELEPHONE: (817) 744-7512 • FAX (817) 744-7548

2225 PERRYTON PARKWAY • PAMPA, TEXAS 79065
TELEPHONE: (806) 665-7218 • FAX (806) 665-7210
WWW.TOPOGRAPHIC.COM

eog resources, inc.

**SECTION 5, TOWNSHIP 25 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO**



LEASE NAME & WELL NO.: DIAMOND 5 FED COM #7H

SECTION 5 TWP 25-S RGE 34-E SURVEY N.M.P.M.
COUNTY LEA STATE NM

DESCRIPTION 110' FSL & 1820' FEL

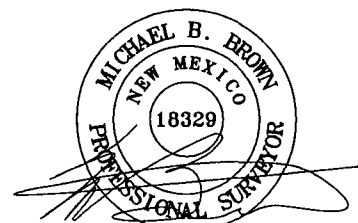
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(LEFT) ON CR. 2/BATTLE AXE RD. ± 5.7 MILES, THENCE
NORTHWEST (RIGHT) ON LEASE RD. ± 2.0 MILES, THENCE NORTH
(RIGHT) ON LEASE RD. ± 0.3 MILES TO A POINT ± 969 FEET
SOUTH OF THE LOCATION.

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ONLY.

ORIGINAL DOCUMENT SIZE: 8.5" X 14"

DETAIL VIEW
SCALE: 1" = 500'



Michael Blake Brown, P.S. No. 18329
MAY 29, 2013

TOPOGRAPHIC
SURVEYING • MAPPING • GIS • GPS

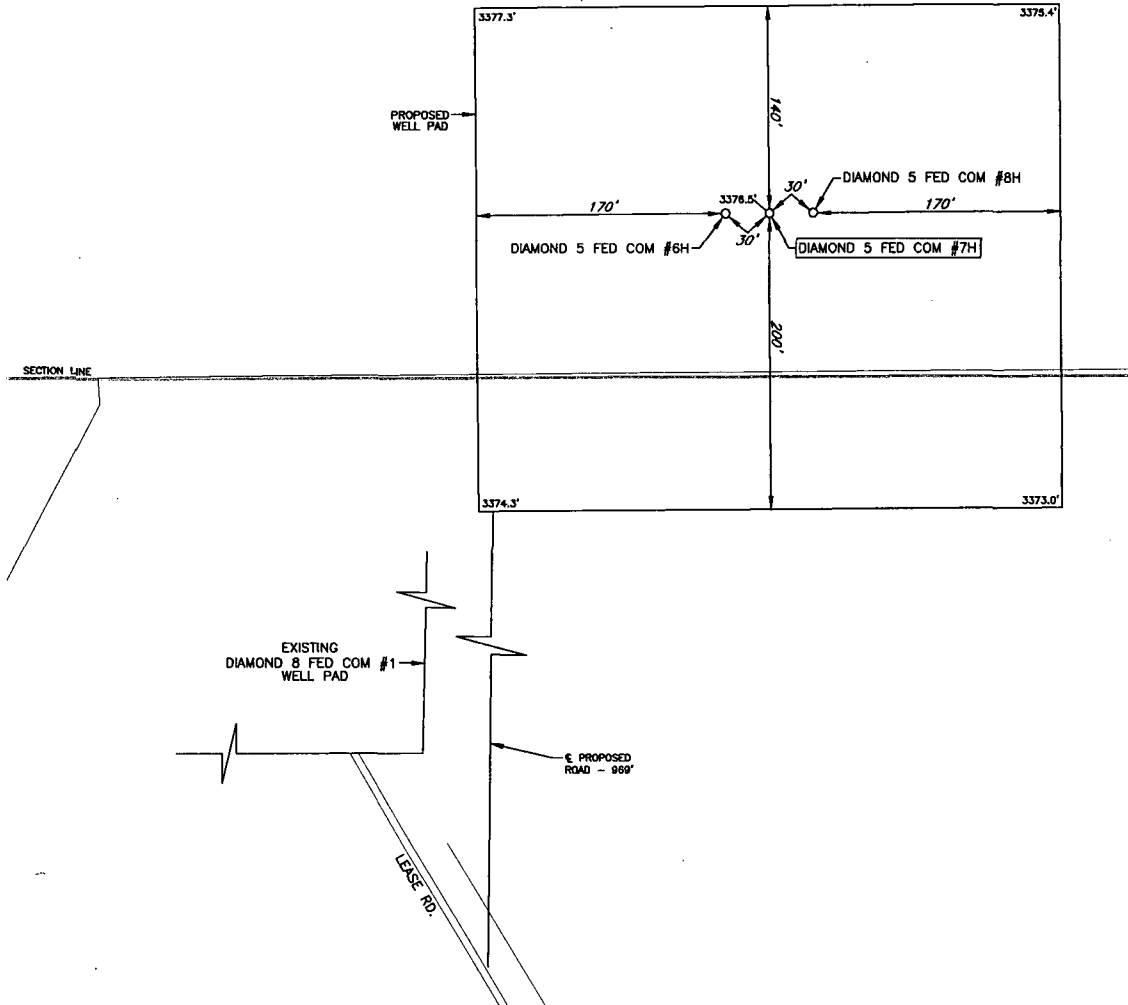
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EXHIBIT 2B

SECTION 5, TOWNSHIP 25 SOUTH, RANGE 34 EAST, N.M.P.M.
LEA COUNTY, NEW MEXICO

DETAIL VIEW
SCALE: 1" = 100'



LEASE NAME & WELL NO.: DIAMOND 5 FED COM #7H
#7H LATITUDE N 32.1524570 #7H LONGITUDE W 103.4888648

LEGEND

ROAD WAY
SECTION LINE
PROPOSED ROAD
FENCE LINE



SCALE: 1" = 100'
0' 50' 100'

TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS

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ORIGINAL DOCUMENT SIZE: 8.5" X 14"

[illegible]

LEASE NAME & WELL NO.: DIAMOND 5 FED COM #7H
 #1 LATITUDE N 32.1524570 #1 LONGITUDE W 103.4888648

ROAD WAY
SECTION LINE
EXISTING PIPELINE
FENCE LINE

ORIGINAL DOCUMENT SIZE: 8.5" X 14"

SCALE: NTS

TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS

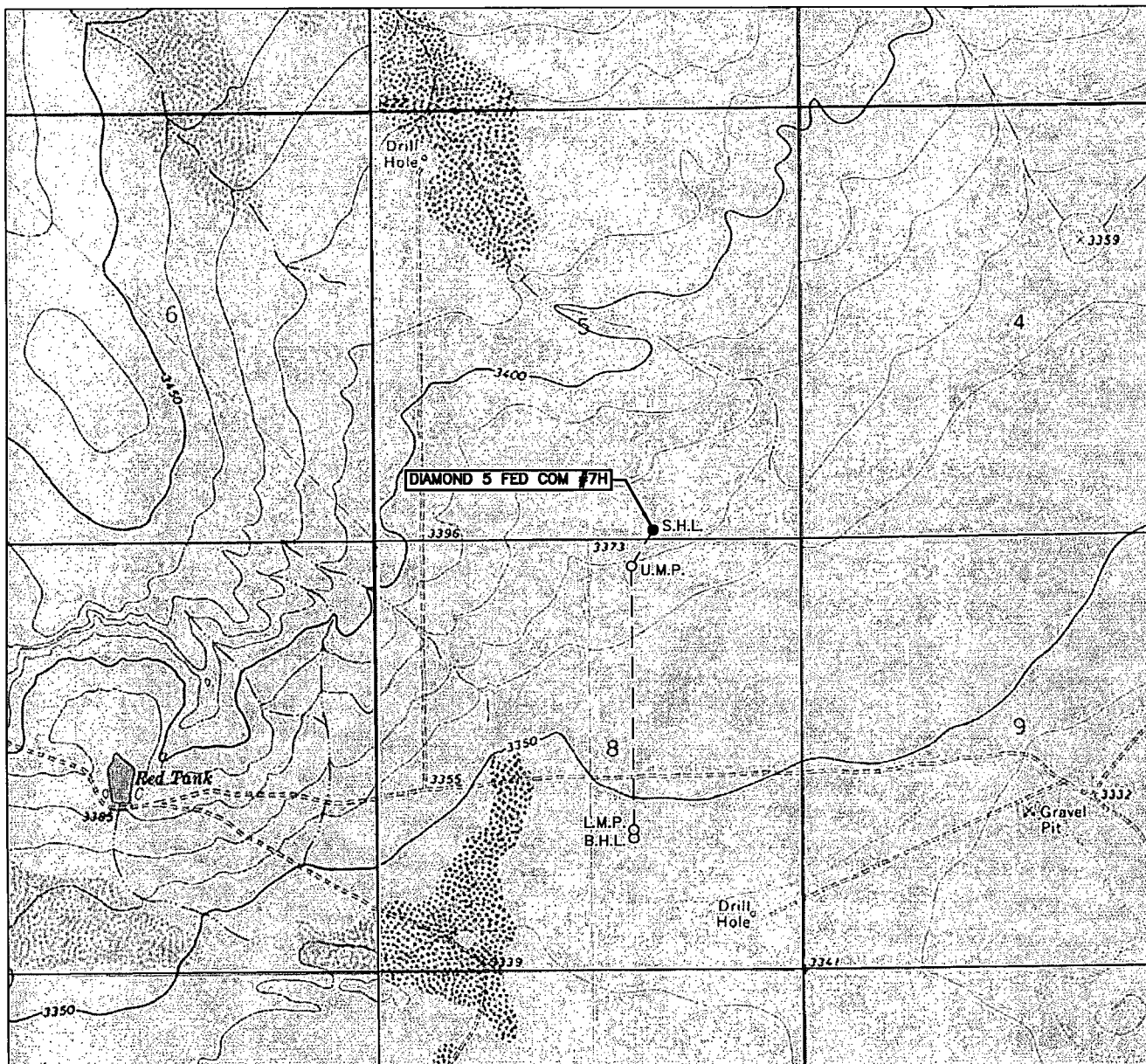
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LOCATION & ELEVATION VERIFICATION MAP



LEASE NAME & WELL NO.: DIAMOND 5 FED COM #7H

SECTION 5 TWP 25-S RGE 34-E SURVEY N.M.P.M.
 COUNTY LEA STATE NM ELEVATION 3377'
 DESCRIPTION 110' FSL & 1820' FEL

LATITUDE N 32.1524570 LONGITUDE W 103.4888648



SCALE: 1" = 2000'
 0' 1000' 2000'

TOPOGRAPHIC

SURVEYING • MAPPING • GIS • GPS

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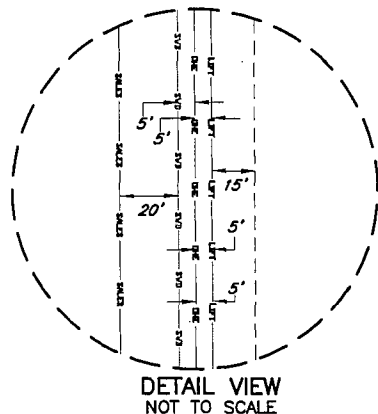
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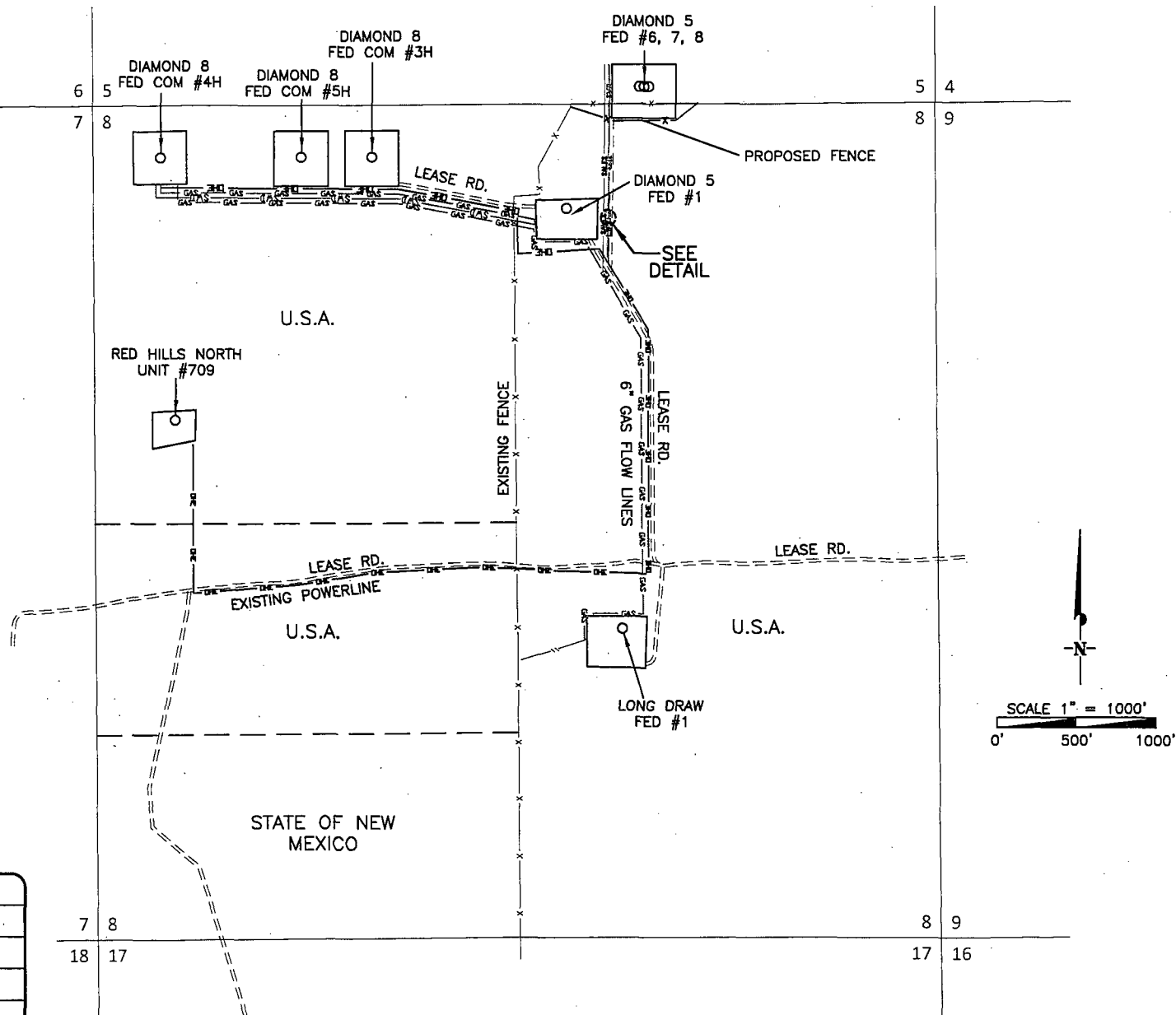


EXHIBIT 5
eog resources, inc.

DIAMOND 5 LEASE INFRASTRUCTURE MAP



- PROPOSED ROAD
-TOTAL FOOTAGE 969 FT
- SALES
1-8" GAS SALES LINE LP BURIED
-TOTAL FOOTAGE 1308 FT
-(WORKING PRESSURE 75-125 PSI)
- LIFT
1-4" POLY GAS LIFT LINE
-TOTAL FOOTAGE 1252 FT
-(WORKING PRESSURE 75-125 PSI)
- OE
ELECTRIC LINE
-TOTAL FOOTAGE 1252 FT
- SWD
1-4" POLY SWD LINE
-TOTAL FOOTAGE 1252 FT
-(WORKING PRESSURE 75-125 PSI)
- X
PROPOSED FENCE
-TOTAL FOOTAGE 847 FT
(795 FT EXISTING FENCE TO BE REMOVED)



DIAMOND 5 LEASE INFRASTRUCTURE MAP

REVISION:

DATE: MAY 29, 2013

FILE: SK_DIAMOND5_LEASE_INFRASTRUCTURE_MAP

DRAWN BY: E.O.

SHEET : 1 OF 1

EOG RESOURCES, INC.
DIAMOND 5 FED COM #7H

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1,090'
Top of Salt	1,490'
Base of Salt	5,067'
Anhydrite	5,067'
Lamar	5,295'
Bell Canyon	5,321'
Cherry Canyon	6,270'
Brushy Canyon	7,830'
Bone Spring Lime	9,273'
TD	9,512'

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

Upper Permian Sands	0- 400'	Fresh Water
Cherry Canyon	6,270'	Oil
Brushy Canyon	7,830'	Oil
Bone Spring Lime	9,273'	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 13.375" casing at ~~1,150'~~ ^{1,200'} and circulating cement back to surface.

4. CASING PROGRAM - NEW

See
COF

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
17.5"	0 - 1,150' ^{1,200'}	13.375"	54.5#	J55	STC	1.125	1.25	1.60
12.25"	0-4,000'	9.625"	40#	J55	LTC	1.125	1.25	1.60
12.25"	4,000'-5,150'	9.625"	40#	HCK55	LTC	1.125	1.25	1.60
8.75"	0'-13,322'	5.500"	17#	P110 or HCP110	LTC	1.125	1.25	1.60

EOG RESOURCES, INC.
DIAMOND 5 FED COM #7H

Cementing Program:

Depth	No. Sacks	Wt. lb/gal	Yld Ft ³ /ft	Slurry Description
1,150'	500	13.5	1.73	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ surface)
	250	14.8	1.34	Tail: Class C + 0.005 pps Static Free + 1% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
5,150'	850	12.7	2.22	Lead: Class 'C' + 1.50% R-3 + 0.25 lb/sk Cello-Flake + 2.0% Sodium Metasilicate + 10% Salt + 0.005 lb/sk Static Free (TOC @ surface)
	200	14.8	1.32	Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
13,322'	300	10.8	3.68	Lead: 60:40:0 Class 'C' + 15.00 lb/sk BA-90 + 4.00% MPA-5 + 3.00% SMS + 5.00% A-10 + 1.00% BA-10A + 0.80% ASA-301 + 2.90% R-21 + 8.00 lb/sk LCM-1 + 0.005 lb/sk Static Free (TOC @ 4650')
	325	11.9	2.38	Middle: 50:50:10 Class 'H' + 0.80% FL-52 + 0.45% ASA-301 + 0.40% SMS + 2.00% Salt + 3.00 lb/sx LCM-1 + 0.20% R-21 + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
	1050	14.2	1.28	Tail: 50:50:2 Class 'H' + 0.65% FL-52 + 0.20% CD-32 + 0.15% SMS + 2.00% Salt + 0.10% R-3 + 0.005 lb/sk Static Free

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.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

See COA

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 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.

3000 psi BOPE is adequate for this application. Due to the 3000 psi BOPE requirement no FIT tests are planned.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 2000/ 250 psig and the annular preventer to 2000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

EOG RESOURCES, INC.
DIAMOND 5 FED COM #7H

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 3000/ 250 psig and the annular preventer to 3000/ 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:

The applicable depths and properties of the drilling fluid systems are as follows. Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Depth <i>1200'</i>	Type	Weight (ppg)	Viscosity	Water Loss
0 – 1,150'	Fresh Water Gel	8.6-8.8	28-34	N/c
<i>See COA</i> 1,150' – 5,150'	Saturated Brine	10.0-10.2	28-34	N/c
5,150' – 8,972'	Cut Brine Water	8.5-9.3	28-34	N/c
8,972' – 13,322' Lateral	Cut Brine Water	9.0-9.5	28-34	N/c

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

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.

*See
COA* (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, from kick off point to intermediate casing point.

EOG RESOURCES, INC.
DIAMOND 5 FED COM #7H

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

*See
COA* The estimated bottom-hole temperature (BHT) at TD is 155 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 4127 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. No major loss circulation zones have been reported in offsetting wells.

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.