

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM028881

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
DIAMOND 31 FED COM 704H

2. Name of Operator

EOG RESOURCES INCORPORATED

Contact: STAN WAGNER

E-Mail: stan_wagner@eogresources.com

9. API Well No.

30-025-44760-00-X1

3a. Address

MIDLAND, TX 79702

3b. Phone No. (include area code)

Ph: 432-686-3689

10. Field and Pool or Exploratory Area

WC025G09S243336I-UP WOLFCAMP

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 31 T24S R34E 731FSL 1443FWL
32.168804 N Lat, 103.512840 W Lon

11. County or Parish, State

LEA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE TYPE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Hydraulic Fracturing☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Change to Original A
PD

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

EOG Resources requests an amendment to our approved APD for this well to reflect a revised BHL.

Change BHL to: 2541' FSL & 1590' FWL 30-24S-34E

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #434414 verified by the BLM Well Information System

For EOG RESOURCES INCORPORATED, sent to the Hobbs

Committed to AFMSS for processing by PRISCILLA PEREZ on 09/12/2018 (18PP1816SE)

Name (Printed/Typed) STAN WAGNER

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 09/10/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ZQTA STEVENS

Title PETROLEUM ENGINEER

Date 11/19/2018

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Hobbs

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED

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 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

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 30-025-44760	² Pool Code 98092	³ Pool Name Wc-025 G-09 S243336I; Upper Wolfcamp
⁴ Property Code 4050	⁵ Property Name DIAMOND 31 FED COM	⁶ Well Number #704H
⁷ GRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3457'

¹⁰Surface Location

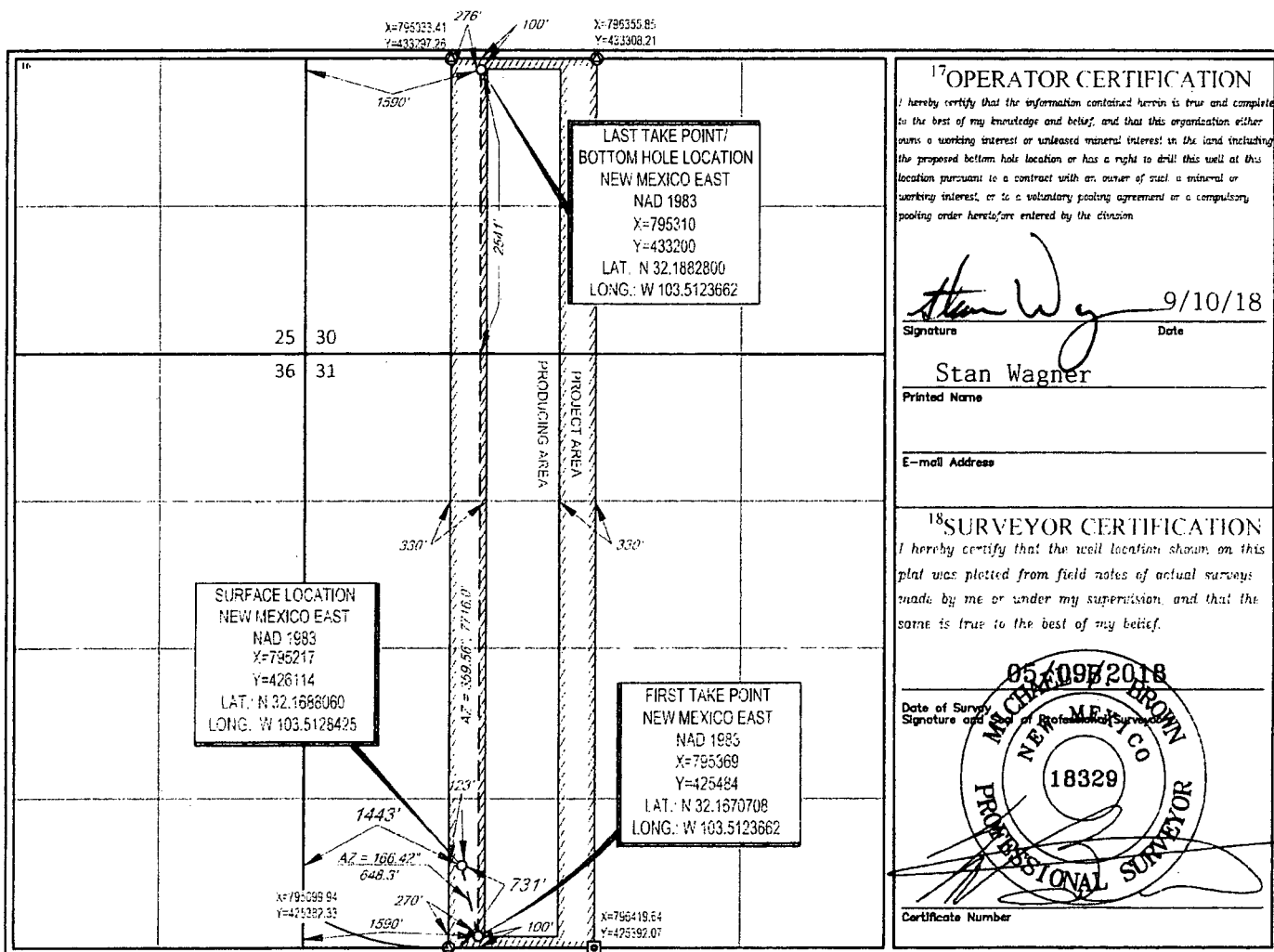
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 4	31	24-S	34-E	-	731'	SOUTH	1443'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	30	24-S	34-E	-	2541'	SOUTH	1590'	WEST	LEA

¹² Dedicated Acres 240.00	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.



¹⁷OPERATOR CERTIFICATION

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 undivided 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.

Stan Wagner 9/10/18
Signature Date

Stan Wagner
Printed Name

E-mail Address

¹⁸SURVEYOR CERTIFICATION

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.

05/09/2018
Date of Survey
Signature of Professional Surveyor
MY CHANCE BROWN
NEW MEXICO
18329
PROFESSIONAL SURVEYOR
Certificate Number

Revised Permit Information 9/6/18:

Well Name: Diamond 31 Fed Com No. 704H

Location:

SL: 731' FSL & 1443' FWL, Section 31, T-24-S, R-34-E, Lea Co., N.M.

BHL: 2541' FSL & 1590' FWL, Section 30, T-24-S, R-34-E, Lea Co., N.M.

Casing Program:

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
17.5"	0 - 1,225'	13.375"	54.5#	J55	STC	1.125	1.25	1.60
12.25"	0-4,100'	9.625"	40#	J55	LTC	1.125	1.25	1.60
12.25"	4,100' - 5,100'	9.625"	40#	HCK55	LTC	1.125	1.25	1.60
8.75"	0 - 11,500'	7.625"	29.7#	HCP110	FXL	1.125	1.25	1.60
6.75"	0 - 11,000'	5.5"	20#	P110EC	DWC CIS MS	1.125	1.25	1.60
6.75"	11,000' - 20,077'	5.5"	20#	P110EC	VAM SFC	1.125	1.25	1.60

Variance is requested for annular clearance of the 5-1/2" x 7-5/8" to the top of cement.

Cement Program:

Depth	No. Sacks	Wt. lb/gal	Yld Fr ³ /ft	Slurry Description
1,225'	697	13.5	1.74	Lead: Class 'C' + 4.00% Bentonite + 2.00% CaCl ₂ (TOC @ Surface)
	333	14.8	1.35	Tail: Class 'C' + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate + 2.0% KCl (1.06 lb/sk)
5,100'	692	12.7	2.22	Lead: Class C + 0.15% C-20 + 11.63 pps Salt + 0.1% C-51 + 0.75% C-41P (TOC @ Surface)
	303	14.8	1.32	Tail: Class C + 0.13% C-20
11,500'	375	10.8	3.67	Lead: Class C + 0.40% D013 + 0.20% D046 + 0.10% D065 + 0.20% D167 (TOC @ 4,600')
	400	14.8	2.38	Tail: Class H + 94.0 pps D909 + 0.25% D065 + 0.30% D167 + 0.02% D208 + 0.15% D800
20,077'	1000	14.8	1.31	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 11,000')

Mud Program:

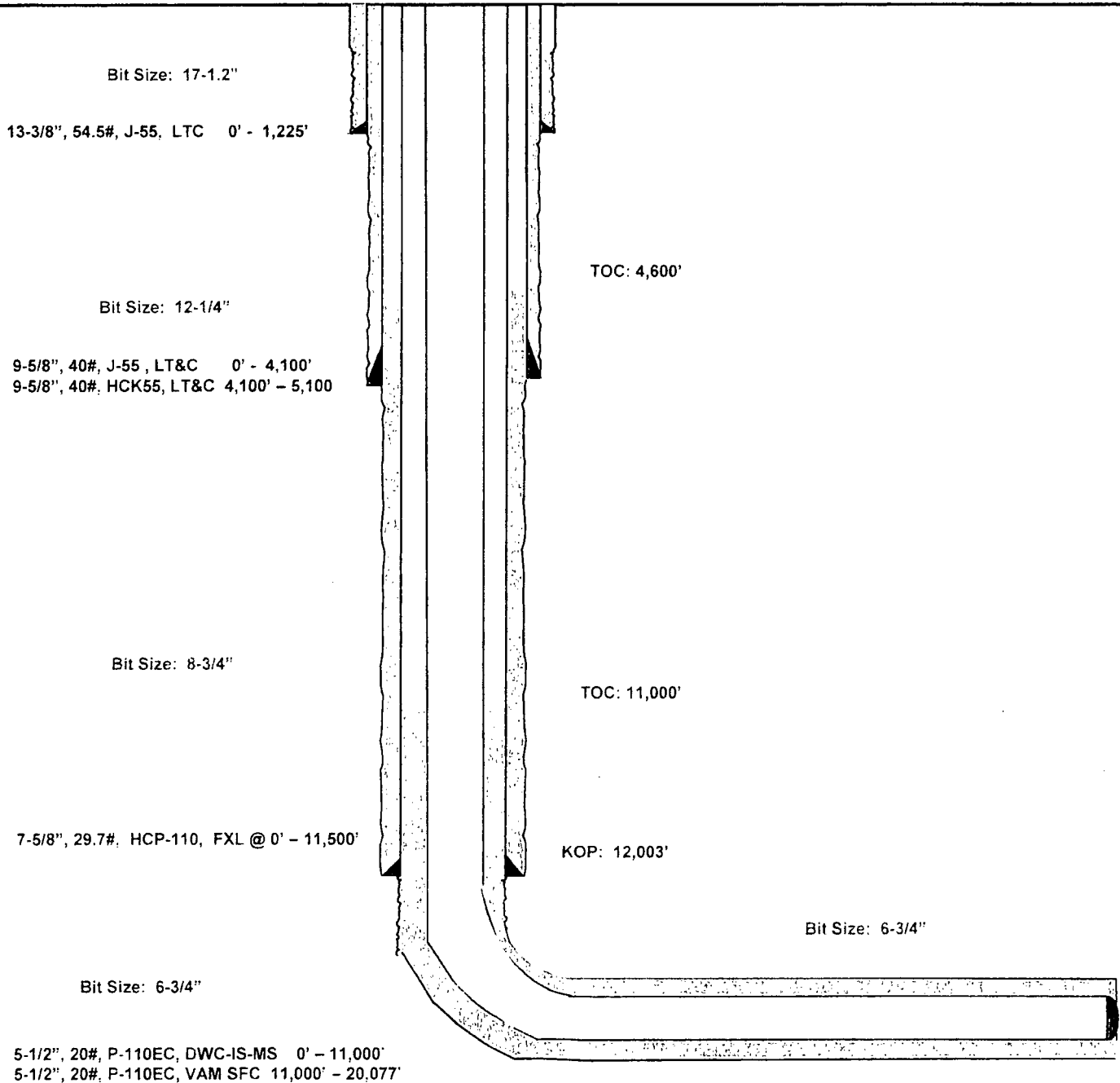
Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 - 1225'	Fresh - Gel	8.6-8.8	28-34	N/c
1225' - 5,100'	Brine	10.0-10.2	28-34	N/c
5,100' - 11,500'	Oil Base	8.7-9.4	58-68	N/c - 6
11,500' - 20,077' Lateral	Oil Base	10.0-11.5	58-68	3 - 6

Diamond 31 Fed Com #704H

731' FSL
1443' FWL
Section 31
T-24-S, R-34-E

Lea County, New Mexico
Proposed Wellbore
Revised 9/6/18
API: 30-025-44760

KB: 3,482'
GL: 3,457'



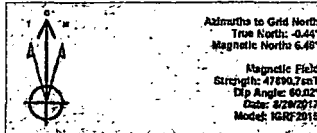
Lateral: 20,077' MD, 12,491' TVD
Upper Most Perf:
100' FSL & 1590' FWL Sec. 31
Lower Most Perf:
2541' FSL & 1590' FWL Sec. 30
BH Location: 2541' FSL & 1590' FWL
Section 30
T-24-S, R-34-E



Lea County, NM (NAD 83 NME)

Diamond 31 Fed Com #704H

Plan #0.2



To convert a Magnetic Direction to a Grid Direction, Add 6.48°
To convert a Magnetic Direction to a True Direction, Add 6.92° East
To convert a True Direction to a Grid Direction, Subtract 6.48°

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: #704H

KB ~ 25' @ 3422.0ush 3457.0
Northing 428114.00 Easting 785217.00 Latitude 32° 10' 7.697 N Longitude 103° 30' 46.228 W

SECTION DETAILS

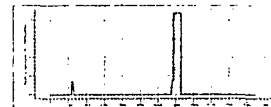
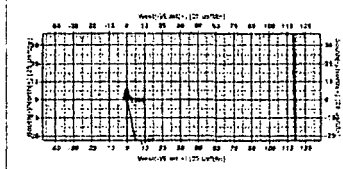
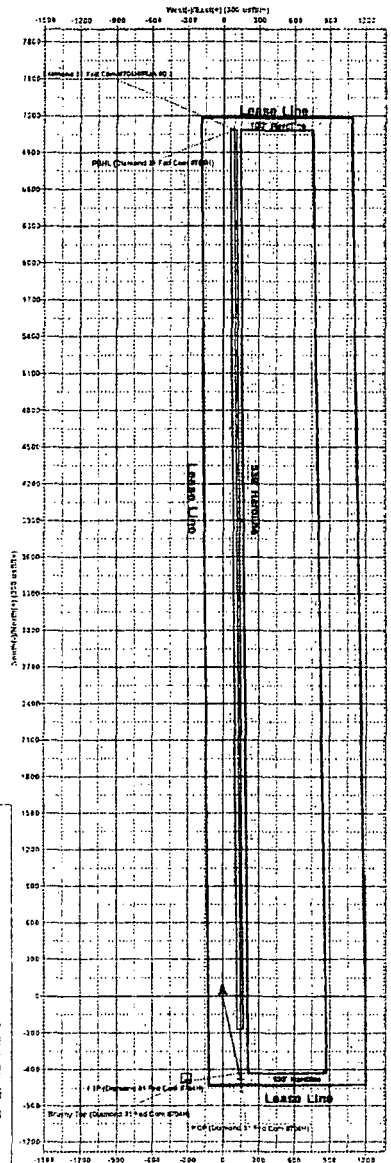
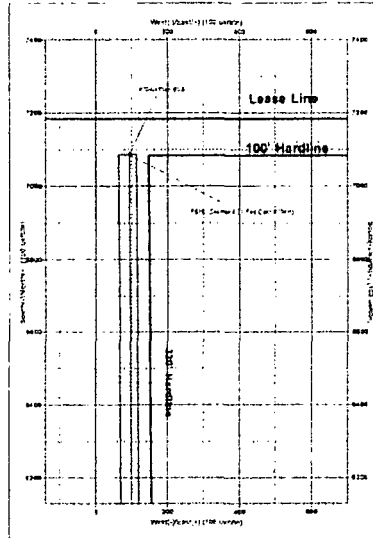
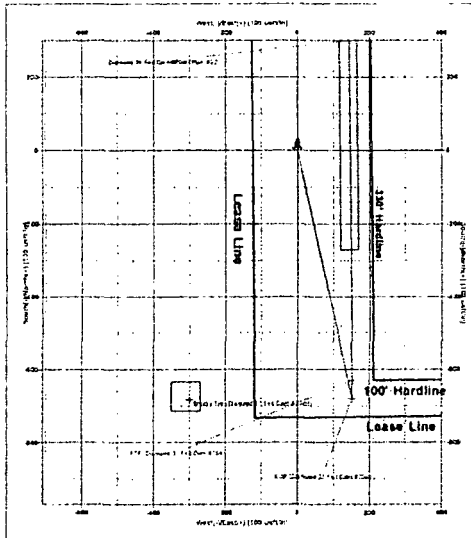
Sec	MD	Inc	Azi	TVD	+N/S	+E/W	Dieg	TFace	VSeet	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	2000.0	0.00	0.00	2000.0	0.0	0.0	0.00	0.00	0.0	
3	2203.1	4.06	167.40	2203.0	-7.0	1.6	2.03	167.40	-7.0	
4	11834.9	4.06	167.40	11810.5	-673.0	150.4	0.00	0.00	-670.9	KOP (Diamond 31 Fed Com #704H)
5	12038.0	0.00	0.00	12013.5	-680.0	152.0	2.00	180.00	-677.9	
6	12788.0	90.00	359.56	12491.0	-202.6	148.4	12.00	359.56	-200.6	PBHL (Diamond 31 Fed Com #704H)
7	20076.8	90.00	359.56	12491.0	7086.0	93.0	0.00	0.00	7086.6	

CASING DETAILS

No casing data available

WELLDROP TARGET DETAILS (MAP COORDINATES)

Name	TVD	+N/S	+E/W	Northing	Eastng
Brumby Top (Diamond 31 Fed Com #704H)	7794.0	-493.0	-300.0	425431.00	784917.00
KOP (Diamond 31 Fed Com #704H)	12013.5	-480.0	162.0	425434.00	785369.00
FTP (Diamond 31 Fed Com #704H)	12491.0	-430.0	162.0	425648.00	785398.00
PBHL (Diamond 31 Fed Com #704H)	12491.0	7086.0	93.0	433200.00	785310.00





EOG Resources - Midland

Lea County, NM (NAD 83 NME)

Diamond 31 Fed Com

#704H

OH

Plan: Plan #0.2

Standard Planning Report

06 September, 2018

Database:	EDM 5000.14	Local Co-ordinate Reference:	Well #704H
Company:	EOG Resources - Midland	TVD Reference:	KB = 25' @ 3482.0usft
Project:	Lea County, NM (NAD '83 NME)	MD Reference:	KB = 25' @ 3482.0usft
Site:	Diamond 31 Fed Com	North Reference:	Grid
Well:	#704H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.2		

Project	Lea County, NM (NAD 83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Diamond 31 Fed Com		
Site Position:	Northing:	425,996.00 usft	Latitude: 32° 10' 6.586 N
From: Map	Easting:	794,470.00 usft	Longitude: 103° 30' 54.929 W
Position Uncertainty:	0.0 usft	Slot Radius: 13-3/16"	Grid Convergence: 0.44

Well	#704H		
Well Position	+N-S	118.0 usft	Northing: 426,114.00 usft
	+E-W	747.0 usft	Easting: 795,217.00 usft
Position Uncertainty	0.0 usft	Wellhead Elevation:	Ground Level: 3,457.0 usft

Wellbore	OH		
Magnetics	Model Name	Sample Date	Declination
	IGRF2015	8/29/2017	6.90
			Dip Angle
			60.02
			Field Strength
			47,890.71397653

Design	Plan #0.2		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.0
Vertical Section:	Depth From (TVD)	+N-S	+E-W
	(usft)	(usft)	(usft)
	0.0	0.0	0.0
			Direction
			(°)
			0.75

Plan Survey Tool Program	Date	9/6/2018		
Depth From	Depth To	Survey (Wellbore)	Tool Name	Remarks
(usft)	(usft)			
1 0.0	20.076.8	Plan #0.2 (OH)	MWD	
			OWSG MWD - Standard	

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	
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,203.1	4.06	167.40	2,203.0	-7.0	1.6	2.00	2.00	0.00	167.40	
11,834.9	4.06	167.40	11,810.5	-673.0	150.4	0.00	0.00	0.00	0.00	
12,038.0	0.00	0.00	12,013.5	-580.0	152.0	2.00	-2.00	0.00	180.00	KOP (Diamond 31 Fe
12,788.0	90.00	359.56	12,491.0	-202.6	148.4	12.00	12.00	-0.05	359.56	
20,076.8	90.00	359.56	12,491.0	7,056.0	93.0	0.00	0.00	0.00	0.00	PBHL (Diamond 31 F

Database:	EDM-5000.14	Local Co-ordinate Reference:	Well #704H
Company:	EOG Resources - Midland	TVD Reference:	KB = 25' @ 3482.0usft
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	KB = 25' @ 3482.0usft
Site:	Diamond 31-Fed Corn	North Reference:	Grid
Well:	#704H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.2		

Planned 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	0.0	0.0	0.0	0.00	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	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	2.00	167.40	2,100.0	-1.7	0.4	-1.7	2.00	2.00	0.00
2,203.1	4.06	167.40	2,203.0	-7.0	1.6	-7.0	2.00	2.00	0.00
2,300.0	4.06	167.40	2,299.6	-13.7	3.1	-13.7	0.00	0.00	0.00
2,400.0	4.06	167.40	2,399.3	-20.6	4.6	-20.6	0.00	0.00	0.00
2,500.0	4.06	167.40	2,499.1	-27.6	6.2	-27.5	0.00	0.00	0.00
2,600.0	4.06	167.40	2,598.8	-34.5	7.7	-34.4	0.00	0.00	0.00
2,700.0	4.06	167.40	2,698.6	-41.4	9.2	-41.3	0.00	0.00	0.00
2,800.0	4.06	167.40	2,798.3	-48.3	10.8	-48.1	0.00	0.00	0.00
2,900.0	4.06	167.40	2,898.1	-55.2	12.3	-55.0	0.00	0.00	0.00
3,000.0	4.06	167.40	2,997.8	-62.1	13.9	-61.9	0.00	0.00	0.00
3,100.0	4.06	167.40	3,097.6	-69.0	15.4	-68.8	0.00	0.00	0.00
3,200.0	4.06	167.40	3,197.3	-75.9	17.0	-75.7	0.00	0.00	0.00
3,300.0	4.06	167.40	3,297.1	-82.9	18.5	-82.6	0.00	0.00	0.00
3,400.0	4.06	167.40	3,396.8	-89.8	20.1	-89.5	0.00	0.00	0.00
3,500.0	4.06	167.40	3,496.6	-96.7	21.6	-96.4	0.00	0.00	0.00
3,600.0	4.06	167.40	3,596.3	-103.6	23.2	-103.3	0.00	0.00	0.00
3,700.0	4.06	167.40	3,696.1	-110.5	24.7	-110.2	0.00	0.00	0.00
3,800.0	4.06	167.40	3,795.8	-117.4	26.2	-117.1	0.00	0.00	0.00
3,900.0	4.06	167.40	3,895.6	-124.3	27.8	-124.0	0.00	0.00	0.00
4,000.0	4.06	167.40	3,995.3	-131.3	29.3	-130.9	0.00	0.00	0.00
4,100.0	4.06	167.40	4,095.1	-138.2	30.9	-137.8	0.00	0.00	0.00
4,200.0	4.06	167.40	4,194.8	-145.1	32.4	-144.7	0.00	0.00	0.00
4,300.0	4.06	167.40	4,294.6	-152.0	34.0	-151.5	0.00	0.00	0.00
4,400.0	4.06	167.40	4,394.3	-158.9	35.5	-158.4	0.00	0.00	0.00
4,500.0	4.06	167.40	4,494.1	-165.8	37.1	-165.3	0.00	0.00	0.00
4,600.0	4.06	167.40	4,593.8	-172.7	38.6	-172.2	0.00	0.00	0.00
4,700.0	4.06	167.40	4,693.6	-179.7	40.2	-179.1	0.00	0.00	0.00
4,800.0	4.06	167.40	4,793.3	-186.6	41.7	-186.0	0.00	0.00	0.00
4,900.0	4.06	167.40	4,893.1	-193.5	43.3	-192.9	0.00	0.00	0.00
5,000.0	4.06	167.40	4,992.8	-200.4	44.8	-199.8	0.00	0.00	0.00
5,100.0	4.06	167.40	5,092.6	-207.3	46.3	-206.7	0.00	0.00	0.00
5,200.0	4.06	167.40	5,192.3	-214.2	47.9	-213.6	0.00	0.00	0.00
5,300.0	4.06	167.40	5,292.0	-221.1	49.4	-220.5	0.00	0.00	0.00

Database: EDM 5000.14
 Company: EOG Resources - Midland
 Project: Lea County, NM (NAD 83 NME)
 Site: Diamond 31 Fed Com
 Well: #704H
 Wellbore: OH
 Design: Plan #0.2

Local Co-ordinate Reference: Well #704H
 TVD Reference: KB = 25' @ 3482.0usft
 MD Reference: KB = 25' @ 3482.0usft
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature

Planned 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)
5,400.0	4.06	167.40	5,391.8	-228.1	51.0	-227.4	0.00	0.00	0.00
5,500.0	4.06	167.40	5,491.5	-235.0	52.5	-234.3	0.00	0.00	0.00
5,600.0	4.06	167.40	5,591.3	-241.9	54.1	-241.2	0.00	0.00	0.00
5,700.0	4.06	167.40	5,691.0	-248.8	55.6	-248.1	0.00	0.00	0.00
5,800.0	4.06	167.40	5,790.8	-255.7	57.2	-254.9	0.00	0.00	0.00
5,900.0	4.06	167.40	5,890.5	-262.6	58.7	-261.8	0.00	0.00	0.00
6,000.0	4.06	167.40	5,990.3	-269.5	60.3	-268.7	0.00	0.00	0.00
6,100.0	4.06	167.40	6,090.0	-276.5	61.8	-275.6	0.00	0.00	0.00
6,200.0	4.06	167.40	6,189.8	-283.4	63.3	-282.5	0.00	0.00	0.00
6,300.0	4.06	167.40	6,289.5	-290.3	64.9	-289.4	0.00	0.00	0.00
6,400.0	4.06	167.40	6,389.3	-297.2	66.4	-296.3	0.00	0.00	0.00
6,500.0	4.06	167.40	6,489.0	-304.1	68.0	-303.2	0.00	0.00	0.00
6,600.0	4.06	167.40	6,588.8	-311.0	69.5	-310.1	0.00	0.00	0.00
6,700.0	4.06	167.40	6,688.5	-317.9	71.1	-317.0	0.00	0.00	0.00
6,800.0	4.06	167.40	6,788.3	-324.9	72.6	-323.9	0.00	0.00	0.00
6,900.0	4.06	167.40	6,888.0	-331.8	74.2	-330.8	0.00	0.00	0.00
7,000.0	4.06	167.40	6,987.8	-338.7	75.7	-337.7	0.00	0.00	0.00
7,100.0	4.06	167.40	7,087.5	-345.6	77.3	-344.6	0.00	0.00	0.00
7,200.0	4.06	167.40	7,187.3	-352.5	78.8	-351.4	0.00	0.00	0.00
7,300.0	4.06	167.40	7,287.0	-359.4	80.3	-358.3	0.00	0.00	0.00
7,400.0	4.06	167.40	7,386.8	-366.3	81.9	-365.2	0.00	0.00	0.00
7,500.0	4.06	167.40	7,486.5	-373.3	83.4	-372.1	0.00	0.00	0.00
7,600.0	4.06	167.40	7,586.3	-380.2	85.0	-379.0	0.00	0.00	0.00
7,700.0	4.06	167.40	7,686.0	-387.1	86.5	-385.9	0.00	0.00	0.00
7,800.0	4.06	167.40	7,785.8	-394.0	88.1	-392.8	0.00	0.00	0.00
7,822.2	4.06	167.40	7,807.9	-395.5	88.4	-394.3	0.00	0.00	0.00
Brushy Top (Diamond 31 Fed Com #704H)									
7,900.0	4.06	167.40	7,885.5	-400.9	89.6	-399.7	0.00	0.00	0.00
8,000.0	4.06	167.40	7,985.3	-407.8	91.2	-406.6	0.00	0.00	0.00
8,100.0	4.06	167.40	8,085.0	-414.7	92.7	-413.5	0.00	0.00	0.00
8,200.0	4.06	167.40	8,184.8	-421.7	94.3	-420.4	0.00	0.00	0.00
8,300.0	4.06	167.40	8,284.5	-428.6	95.8	-427.3	0.00	0.00	0.00
8,400.0	4.06	167.40	8,384.3	-435.5	97.3	-434.2	0.00	0.00	0.00
8,500.0	4.06	167.40	8,484.0	-442.4	98.9	-441.1	0.00	0.00	0.00
8,600.0	4.06	167.40	8,583.8	-449.3	100.4	-448.0	0.00	0.00	0.00
8,700.0	4.06	167.40	8,683.5	-456.2	102.0	-454.8	0.00	0.00	0.00
8,800.0	4.06	167.40	8,783.3	-463.1	103.5	-461.7	0.00	0.00	0.00
8,900.0	4.06	167.40	8,883.0	-470.1	105.1	-468.6	0.00	0.00	0.00
9,000.0	4.06	167.40	8,982.8	-477.0	106.6	-475.5	0.00	0.00	0.00
9,100.0	4.06	167.40	9,082.5	-483.9	108.2	-482.4	0.00	0.00	0.00
9,200.0	4.06	167.40	9,182.2	-490.8	109.7	-489.3	0.00	0.00	0.00
9,300.0	4.06	167.40	9,282.0	-497.7	111.3	-496.2	0.00	0.00	0.00
9,400.0	4.06	167.40	9,381.7	-504.6	112.8	-503.1	0.00	0.00	0.00
9,500.0	4.06	167.40	9,481.5	-511.5	114.3	-510.0	0.00	0.00	0.00
9,600.0	4.06	167.40	9,581.2	-518.5	115.9	-516.9	0.00	0.00	0.00
9,700.0	4.06	167.40	9,681.0	-525.4	117.4	-523.8	0.00	0.00	0.00
9,800.0	4.06	167.40	9,780.7	-532.3	119.0	-530.7	0.00	0.00	0.00
9,900.0	4.06	167.40	9,880.5	-539.2	120.5	-537.6	0.00	0.00	0.00
10,000.0	4.06	167.40	9,980.2	-546.1	122.1	-544.5	0.00	0.00	0.00
10,100.0	4.06	167.40	10,080.0	-553.0	123.6	-551.4	0.00	0.00	0.00
10,200.0	4.06	167.40	10,179.7	-559.9	125.2	-558.2	0.00	0.00	0.00
10,300.0	4.06	167.40	10,279.5	-566.8	126.7	-565.1	0.00	0.00	0.00
10,400.0	4.06	167.40	10,379.2	-573.8	128.3	-572.0	0.00	0.00	0.00

Database: EDM 5000.14
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 North Reference: Grid
 Survey Calculation Method: Minimum Curvature

Planned 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)
10,500.0	4.06	167.40	10,479.0	-580.7	129.8	-578.9	0.00	0.00	0.00
10,600.0	4.06	167.40	10,578.7	-587.6	131.3	-585.8	0.00	0.00	0.00
10,700.0	4.06	167.40	10,678.5	-594.5	132.9	-592.7	0.00	0.00	0.00
10,800.0	4.06	167.40	10,778.2	-601.4	134.4	-599.6	0.00	0.00	0.00
10,900.0	4.06	167.40	10,878.0	-608.3	136.0	-606.5	0.00	0.00	0.00
11,000.0	4.06	167.40	10,977.7	-615.2	137.5	-613.4	0.00	0.00	0.00
11,100.0	4.06	167.40	11,077.5	-622.2	139.1	-620.3	0.00	0.00	0.00
11,200.0	4.06	167.40	11,177.2	-629.1	140.6	-627.2	0.00	0.00	0.00
11,300.0	4.06	167.40	11,277.0	-636.0	142.2	-634.1	0.00	0.00	0.00
11,400.0	4.06	167.40	11,376.7	-642.9	143.7	-641.0	0.00	0.00	0.00
11,500.0	4.06	167.40	11,476.5	-649.8	145.3	-647.9	0.00	0.00	0.00
11,600.0	4.06	167.40	11,576.2	-656.7	146.8	-654.7	0.00	0.00	0.00
11,700.0	4.06	167.40	11,676.0	-663.6	148.3	-661.6	0.00	0.00	0.00
11,800.0	4.06	167.40	11,775.7	-670.6	149.9	-668.5	0.00	0.00	0.00
11,834.9	4.06	167.40	11,810.5	-673.0	150.4	-670.9	0.00	0.00	0.00
11,900.0	2.76	167.40	11,875.5	-676.8	151.3	-674.7	2.00	-2.00	0.00
12,000.0	0.76	167.40	11,975.5	-679.8	151.9	-677.7	2.00	-2.00	0.00
12,038.0	0.00	0.00	12,013.5	-680.0	152.0	-677.9	2.00	-2.00	0.00
KOP (Diamond 31 Fed Com #704H)									
12,050.0	1.43	359.56	12,025.5	-679.9	152.0	-677.8	12.00	12.00	0.00
12,075.0	4.43	359.56	12,050.4	-678.6	152.0	-676.5	12.00	12.00	0.00
12,100.0	7.43	359.56	12,075.3	-676.0	152.0	-673.9	12.00	12.00	0.00
12,125.0	10.43	359.56	12,100.0	-672.1	151.9	-670.1	12.00	12.00	0.00
12,150.0	13.43	359.56	12,124.4	-666.9	151.9	-664.9	12.00	12.00	0.00
12,175.0	16.43	359.56	12,148.6	-660.5	151.9	-658.4	12.00	12.00	0.00
12,200.0	19.43	359.56	12,172.4	-652.8	151.8	-650.7	12.00	12.00	0.00
12,225.0	22.43	359.56	12,195.7	-643.9	151.7	-641.8	12.00	12.00	0.00
12,250.0	25.43	359.56	12,218.6	-633.7	151.6	-631.7	12.00	12.00	0.00
12,275.0	28.43	359.56	12,240.8	-622.4	151.6	-620.4	12.00	12.00	0.00
12,300.0	31.43	359.56	12,262.5	-609.9	151.5	-607.9	12.00	12.00	0.00
12,325.0	34.43	359.56	12,283.5	-596.3	151.4	-594.3	12.00	12.00	0.00
12,350.0	37.43	359.56	12,303.7	-581.7	151.3	-579.6	12.00	12.00	0.00
12,375.0	40.43	359.56	12,323.2	-566.0	151.1	-563.9	12.00	12.00	0.00
12,400.0	43.43	359.56	12,341.6	-549.3	151.0	-547.2	12.00	12.00	0.00
12,425.0	46.43	359.56	12,359.5	-531.6	150.9	-529.6	12.00	12.00	0.00
12,440.1	48.24	359.56	12,369.7	-520.5	150.8	-518.5	12.00	12.00	0.00
FTP (Diamond 31 Fed Com #704H)									
12,450.0	49.43	359.56	12,376.2	-513.0	150.7	-511.0	12.00	12.00	0.00
12,475.0	52.43	359.56	12,392.0	-493.6	150.6	-491.6	12.00	12.00	0.00
12,500.0	55.43	359.56	12,406.7	-473.4	150.4	-471.4	12.00	12.00	0.00
12,525.0	58.43	359.56	12,420.3	-452.5	150.3	-450.5	12.00	12.00	0.00
12,550.0	61.43	359.56	12,432.8	-430.8	150.1	-428.8	12.00	12.00	0.00
12,575.0	64.43	359.56	12,444.2	-408.6	149.9	-406.6	12.00	12.00	0.00
12,600.0	67.43	359.56	12,454.4	-385.8	149.8	-383.8	12.00	12.00	0.00
12,625.0	70.43	359.56	12,463.4	-362.4	149.6	-360.4	12.00	12.00	0.00
12,650.0	73.43	359.56	12,471.1	-338.7	149.4	-336.7	12.00	12.00	0.00
12,675.0	76.43	359.56	12,477.6	-314.5	149.2	-312.6	12.00	12.00	0.00
12,700.0	79.43	359.56	12,482.9	-290.1	149.0	-288.1	12.00	12.00	0.00
12,725.0	82.43	359.56	12,486.8	-265.4	148.9	-263.4	12.00	12.00	0.00
12,750.0	85.43	359.56	12,489.4	-240.6	148.7	-238.6	12.00	12.00	0.00
12,775.0	88.43	359.56	12,490.8	-215.6	148.5	-213.6	12.00	12.00	0.00
12,788.0	90.00	359.56	12,491.0	-202.6	148.4	-200.6	12.00	12.00	0.00
12,800.0	90.00	359.56	12,491.0	-190.6	148.3	-188.6	0.00	0.00	0.00
12,900.0	90.00	359.56	12,491.0	-90.6	147.5	-88.7	0.00	0.00	0.00

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Planned 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)
13,000.0	90.00	359.56	12,491.0	9.4	146.8	11.3	0.00	0.00	0.00
13,100.0	90.00	359.56	12,491.0	109.4	146.0	111.3	0.00	0.00	0.00
13,200.0	90.00	359.56	12,491.0	209.4	145.2	211.3	0.00	0.00	0.00
13,300.0	90.00	359.56	12,491.0	309.4	144.5	311.3	0.00	0.00	0.00
13,400.0	90.00	359.56	12,491.0	409.4	143.7	411.2	0.00	0.00	0.00
13,500.0	90.00	359.56	12,491.0	509.4	143.0	511.2	0.00	0.00	0.00
13,600.0	90.00	359.56	12,491.0	609.4	142.2	611.2	0.00	0.00	0.00
13,700.0	90.00	359.56	12,491.0	709.4	141.4	711.2	0.00	0.00	0.00
13,800.0	90.00	359.56	12,491.0	809.4	140.7	811.2	0.00	0.00	0.00
13,900.0	90.00	359.56	12,491.0	909.4	139.9	911.1	0.00	0.00	0.00
14,000.0	90.00	359.56	12,491.0	1,009.4	139.2	1,011.1	0.00	0.00	0.00
14,100.0	90.00	359.56	12,491.0	1,109.4	138.4	1,111.1	0.00	0.00	0.00
14,200.0	90.00	359.56	12,491.0	1,209.4	137.6	1,211.1	0.00	0.00	0.00
14,300.0	90.00	359.56	12,491.0	1,309.4	136.9	1,311.0	0.00	0.00	0.00
14,400.0	90.00	359.56	12,491.0	1,409.4	136.1	1,411.0	0.00	0.00	0.00
14,500.0	90.00	359.56	12,491.0	1,509.4	135.4	1,511.0	0.00	0.00	0.00
14,600.0	90.00	359.56	12,491.0	1,609.4	134.6	1,611.0	0.00	0.00	0.00
14,700.0	90.00	359.56	12,491.0	1,709.4	133.8	1,711.0	0.00	0.00	0.00
14,800.0	90.00	359.56	12,491.0	1,809.3	133.1	1,810.9	0.00	0.00	0.00
14,900.0	90.00	359.56	12,491.0	1,909.3	132.3	1,910.9	0.00	0.00	0.00
15,000.0	90.00	359.56	12,491.0	2,009.3	131.6	2,010.9	0.00	0.00	0.00
15,100.0	90.00	359.56	12,491.0	2,109.3	130.8	2,110.9	0.00	0.00	0.00
15,200.0	90.00	359.56	12,491.0	2,209.3	130.0	2,210.9	0.00	0.00	0.00
15,300.0	90.00	359.56	12,491.0	2,309.3	129.3	2,310.8	0.00	0.00	0.00
15,400.0	90.00	359.56	12,491.0	2,409.3	128.5	2,410.8	0.00	0.00	0.00
15,500.0	90.00	359.56	12,491.0	2,509.3	127.8	2,510.8	0.00	0.00	0.00
15,600.0	90.00	359.56	12,491.0	2,609.3	127.0	2,610.8	0.00	0.00	0.00
15,700.0	90.00	359.56	12,491.0	2,709.3	126.3	2,710.7	0.00	0.00	0.00
15,800.0	90.00	359.56	12,491.0	2,809.3	125.5	2,810.7	0.00	0.00	0.00
15,900.0	90.00	359.56	12,491.0	2,909.3	124.7	2,910.7	0.00	0.00	0.00
16,000.0	90.00	359.56	12,491.0	3,009.3	124.0	3,010.7	0.00	0.00	0.00
16,100.0	90.00	359.56	12,491.0	3,109.3	123.2	3,110.7	0.00	0.00	0.00
16,200.0	90.00	359.56	12,491.0	3,209.3	122.5	3,210.6	0.00	0.00	0.00
16,300.0	90.00	359.56	12,491.0	3,309.3	121.7	3,310.6	0.00	0.00	0.00
16,400.0	90.00	359.56	12,491.0	3,409.3	120.9	3,410.6	0.00	0.00	0.00
16,500.0	90.00	359.56	12,491.0	3,509.3	120.2	3,510.6	0.00	0.00	0.00
16,600.0	90.00	359.56	12,491.0	3,609.3	119.4	3,610.6	0.00	0.00	0.00
16,700.0	90.00	359.56	12,491.0	3,709.3	118.7	3,710.5	0.00	0.00	0.00
16,800.0	90.00	359.56	12,491.0	3,809.3	117.9	3,810.5	0.00	0.00	0.00
16,900.0	90.00	359.56	12,491.0	3,909.3	117.1	3,910.5	0.00	0.00	0.00
17,000.0	90.00	359.56	12,491.0	4,009.3	116.4	4,010.5	0.00	0.00	0.00
17,100.0	90.00	359.56	12,491.0	4,109.3	115.6	4,110.4	0.00	0.00	0.00
17,200.0	90.00	359.56	12,491.0	4,209.3	114.9	4,210.4	0.00	0.00	0.00
17,300.0	90.00	359.56	12,491.0	4,309.3	114.1	4,310.4	0.00	0.00	0.00
17,400.0	90.00	359.56	12,491.0	4,409.3	113.3	4,410.4	0.00	0.00	0.00
17,500.0	90.00	359.56	12,491.0	4,509.3	112.5	4,510.4	0.00	0.00	0.00
17,600.0	90.00	359.56	12,491.0	4,609.3	111.8	4,610.3	0.00	0.00	0.00
17,700.0	90.00	359.56	12,491.0	4,709.3	111.1	4,710.3	0.00	0.00	0.00
17,800.0	90.00	359.56	12,491.0	4,809.3	110.3	4,810.3	0.00	0.00	0.00
17,900.0	90.00	359.56	12,491.0	4,909.3	109.5	4,910.3	0.00	0.00	0.00
18,000.0	90.00	359.56	12,491.0	5,009.3	108.8	5,010.3	0.00	0.00	0.00
18,100.0	90.00	359.56	12,491.0	5,109.3	108.0	5,110.2	0.00	0.00	0.00
18,200.0	90.00	359.56	12,491.0	5,209.3	107.3	5,210.2	0.00	0.00	0.00
18,300.0	90.00	359.56	12,491.0	5,309.2	106.5	5,310.2	0.00	0.00	0.00

Database:	EDM 5000.14	Local Co-ordinate Reference:	Well #704H
Company:	EOG Resources - Midland	TVD Reference:	KB = 25' @ 3482.0usft
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	KB = 25' @ 3482.0usft
Site:	Diamond 31 Fed Com	North Reference:	Grid
Well:	#704H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #0.2		

Planned 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)
18,400.0	90.00	359.56	12,491.0	5,409.2	105.7	5,410.2	0.00	0.00	0.00
18,500.0	90.00	359.56	12,491.0	5,509.2	105.0	5,510.1	0.00	0.00	0.00
18,600.0	90.00	359.56	12,491.0	5,609.2	104.2	5,610.1	0.00	0.00	0.00
18,700.0	90.00	359.56	12,491.0	5,709.2	103.5	5,710.1	0.00	0.00	0.00
18,800.0	90.00	359.56	12,491.0	5,809.2	102.7	5,810.1	0.00	0.00	0.00
18,900.0	90.00	359.56	12,491.0	5,909.2	101.9	5,910.1	0.00	0.00	0.00
19,000.0	90.00	359.56	12,491.0	6,009.2	101.2	6,010.0	0.00	0.00	0.00
19,100.0	90.00	359.56	12,491.0	6,109.2	100.4	6,110.0	0.00	0.00	0.00
19,200.0	90.00	359.56	12,491.0	6,209.2	99.7	6,210.0	0.00	0.00	0.00
19,300.0	90.00	359.56	12,491.0	6,309.2	98.9	6,310.0	0.00	0.00	0.00
19,400.0	90.00	359.56	12,491.0	6,409.2	98.1	6,410.0	0.00	0.00	0.00
19,500.0	90.00	359.56	12,491.0	6,509.2	97.4	6,509.9	0.00	0.00	0.00
19,600.0	90.00	359.56	12,491.0	6,609.2	96.6	6,609.9	0.00	0.00	0.00
19,700.0	90.00	359.56	12,491.0	6,709.2	95.9	6,709.9	0.00	0.00	0.00
19,800.0	90.00	359.56	12,491.0	6,809.2	95.1	6,809.9	0.00	0.00	0.00
19,900.0	90.00	359.56	12,491.0	6,909.2	94.3	6,909.8	0.00	0.00	0.00
20,000.0	90.00	359.56	12,491.0	7,009.2	93.6	7,009.8	0.00	0.00	0.00
20,076.8	90.00	359.56	12,491.0	7,086.0	93.0	7,086.6	0.00	0.00	0.00

PBHL (Diamond 31 Fed Com #704H)

Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
- hit/miss target									
- Shape									
Brushy Top (Diamond 31	0.00	0.00	7,794.0	-663.0	-300.0	425,431.00	794,917.00	32° 10' 0.961 N	103° 30' 49.779 W
- plan misses target center by 483.4usft at 7822.2usft MD (7807.9 TVD, -395.5 N, 88.4 E)									
- Polygon									
Point 1			7,794.0	50.0	-50.0	425,481.00	794,867.00		
Point 2			7,794.0	50.0	30.0	425,481.00	794,947.00		
Point 3			7,794.0	-30.0	30.0	425,401.00	794,947.00		
Point 4			7,794.0	-30.0	-50.0	425,401.00	794,867.00		
KOP (Diamond 31 Fed C	0.00	0.00	12,013.5	-680.0	152.0	425,434.00	795,369.00	32° 10' 0.957 N	103° 30' 44.520 W
- plan hits target center									
- Point									
FTP (Diamond 31 Fed C	0.00	0.00	12,491.0	-630.0	152.0	425,484.00	795,369.00	32° 10' 1.452 N	103° 30' 44.516 W
- plan misses target center by 163.4usft at 12440.1usft MD (12369.7 TVD, -520.5 N, 150.8 E)									
- Point									
PBHL (Diamond 31 Fed	90.00	359.56	12,491.0	7,086.0	93.0	433,200.00	795,310.00	32° 11' 17.807 N	103° 30' 44.517 W
- plan hits target center									
- Rectangle (sides W50.0 H0.0 D7.355.8)									

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	EOG RESOURCES INC.
LEASE NO.:	NMNM028881
WELL NAME & NO.:	704H -DIAMOND 31 FED COM
SURFACE HOLE FOOTAGE:	731'/S & 1443'/W
BOTTOM HOLE FOOTAGE	2541'/S & 1590'/W
LOCATION:	Section 31., T24S., R.34E., NMP
COUNTY:	LEA County, New Mexico

COA

All previous COAs still apply expect the following:

H2S	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
Potash	<input checked="" type="radio"/> None	<input type="radio"/> Secretary	<input type="radio"/> R-111-P
Cave/Karst Potential	<input checked="" type="radio"/> Low	<input type="radio"/> Medium	<input type="radio"/> High
Variance	<input type="radio"/> None	<input checked="" type="radio"/> Flex Hose	<input type="radio"/> Other
Wellhead	<input type="radio"/> Conventional	<input checked="" type="radio"/> Multibowl	<input type="radio"/> Both
Other	<input type="checkbox"/> 4 String Area	<input type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP

A. Hydrogen Sulfide

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The 13-3/8 inch surface casing shall be set at approximately 1225 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of 8 hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours

after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 9-5/8 inch 1st intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above. **Additional cement may be required. Excess calculates to 15%.**

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

3. The minimum required fill of cement behind the 7-5/8 inch 2nd intermediate casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

Variance approved for annular spacing between 7.625"x 5.5" casing.

4. The minimum required fill of cement behind the 5-1/2 inch production liner is:
 - Cement should tie-back 200' into the previous casing. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **10,000 (10M) psi.**

Variance approved to use a 5M annular. The annular must be tested to full working pressure (5000 psi.)

SPECIAL REQUIREMENTS

Communitization Agreement

- The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ Chaves and Roosevelt Counties
Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.
After office hours call (575)

☒ Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure

rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).

b. The operator proposes to set surface and 1st intermediate casing with Spudder Rig

- **Notify the BLM when moving in and removing the Spudder Rig.**
- **Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.**
- **BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.**

2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log (one log per well pad is acceptable) run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours.

WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.

4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
 - c. The tests shall be done by an independent service company utilizing a test plug. The results of the test shall be reported to the appropriate BLM office.
 - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

- e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes. This test shall be performed prior to the test at full stack pressure.
- g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Waste Minimization Plan (WMP)

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

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