Form 3160-3 (June 2015)

JAN 09 2019

FORM APPROVED OMB No. 1004-0137 Expires: January 31, 2018

UNITED STATES

CIVILED STATE	•	KECEIV	U - U - 7			
DEPARTMENT OF THE I BUREAU OF LAND MAN	5. Lease Serial No. NMNM118726					
APPLICATION FOR PERMIT TO D	RILL OR	REENTER		6. If Indian, Allotee or Tribe Name		
1a. Type of work:	EENTER			7. If Unit or CA Agre	eement, l	Name and No.
1b. Type of Well: ✓ Oil Well ☐ Gas Well ☐ O	ther			8. Lease Name and V	Vell No	
1c. Type of Completion: Hydraulic Fracturing S	ANTIETAM 9 FEØ					
	_			1	317	131)
2. Name of Operator EOG RESOURCES INCORPORATED (7377)				9. API Well No. 30-029	- 42	5476/
3a. Address 1111 Bagby Sky Lobby2 Houston TX 77002	3b. Phone N (713)651-70	o. <i>(include area cod</i> 000	le)	10. Field and Pool, o	-	
4. Location of Well (Report location clearly and in accordance	with any State	requirements.*)		11. Sec., T. R. M. or		
At surface NENE / 1052 FNL / 690 FEL / LAT 32.1494	495 / LONG	-103.5709964		SEC 9 / T25S / R33	BE / NMI	5
At proposed prod. zone SENE / 2540 FNL / 984 FEL / L/	AT 32.13084	28 / LONG -103.57	719592			
14. Distance in miles and direction from nearest town or post off 22 miles	ice*			12. County or Parish LEA		13. State NM
15. Distance from proposed*	16. No of ac	res in lease	17. Spacii	ng Unit dedicated to th	is well	
location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	1319.75		240			
18. Distance from proposed location*	19. Propose	roposed Depth 20. BLM/BIA Bond No. in file				
to nearest well, drilling, completed, applied for, on this lease, ft.	12384 feet	/ 20013 feet	FED: NM	: NM2308		
21. Elevations (Show whether DF, KDB, RT, GL, etc.)		2. Approximate date work will start*		23. Estimated duration		
3416 feet	01/01/2019	/01/2019		25 days		
	24. Attac	hments				
The following, completed in accordance with the requirements o (as applicable)	f Onshore Oil	and Gas Order No.	l, and the H	lydraulic Fracturing ru	ile per 43	CFR 3162.3-3
 Well plat certified by a registered surveyor. A Drilling Plan. 		Item 20 above).	•	s unless covered by an	existing	bond on file (see
A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office		5. Operator certific 6. Such other site s BLM.		mation and/or plans as	may be re	equested by the
25. Signature		(Printed/Typed)			Date	
(Electronic Submission)	Stan V	Wagner / Ph: (432)	686-3689		07/27/2	018
Title Regulatory Specialsit						
Approved by (Signature)		(Printed/Typed)	(575)00 ()	1	Date	
(Electronic Submission)		opher Walls / Ph:	(5/5)234-2	234	11/29/2	บาช
Title Petroleum Engineer		Office CARLSBAD				
Application approval does not warrant or certify that the application			hose rights	in the subject lease wh	nich weu	ld entitle the

applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

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.

GCP Dec 1/9/19 proval Date: 11/29/2018 12/10/19

*(Instructions on page 2)

(Continued on page 2)

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: NENE / 1052 FNL / 690 FEL / TWSP: 25S / RANGE: 33E / SECTION: 9 / LAT: 32.1494495 / LONG: -103.5709964 (TVD: 0 feet, MD: 0 feet)

PPP: NENE / 100 FNL / 985 FEL / TWSP: 25S / RANGE: 33E / SECTION: 9 / LAT: 32.152067 / LONG: -103.5719446 (TVD: 12119 feet, MD: 12189 feet)

BHL: SENE / 2540 FNL / 984 FEL / TWSP: 25S / RANGE: 33E / SECTION: 16 / LAT: 32.1308428 / LONG: -103.5719592 (TVD: 12384 feet, MD: 20013 feet)

BLM Point of Contact

Name: Sipra Dahal

Title: Legal Instruments Examiner

Phone: 5752345983 Email: sdahal@blm.gov

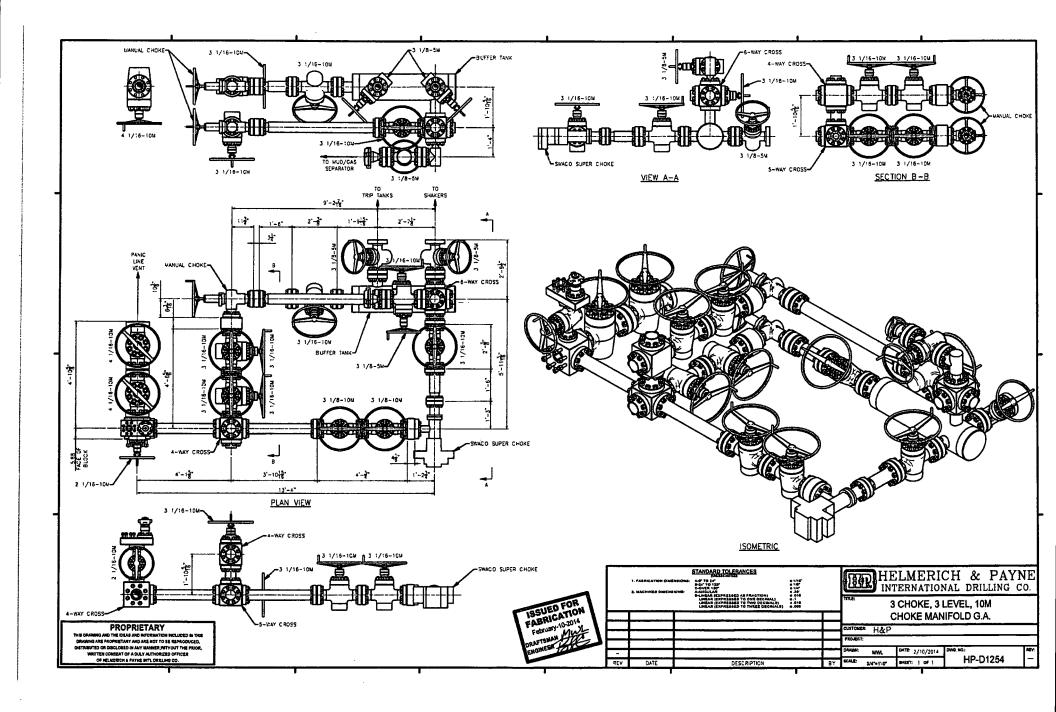
(Form 3160-3, page 3)

Approval Date: 11/29/2018

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

(Form 3160-3, page 4)



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		
				Asset # N	110761	
		HOSE SPECIF	ICATIONS			
Туре:	CHOKE LINI	E		Length:	35'	
I.D.	4" INCHES		O.D.	8"	INCHES	
WORKING P	RE8SURE	TEST PRESSUR	E	BURST PRES	SURE	
10,000	PSI	15,000	PSI		PSI	
		COUP	LINGS		1	
Type of E	nd Fitting 4 1/16 10K F	LANGE				
Type of Co	oupling: SWEDGED		MANUFACTURED BY MIDWEST HOSE & SPECIALTY			
		PROC	EDURE			
1		<i>preseure tested w</i> TEST PRESSURE		<u>IL IOMPORATURO</u> . BURST PRESSL		
l	I WE LELD YI	IESI PRESSURE	ACTUAL	ONO I PRESOL	ne:	
	1	MIN.			O PSI	
COMMENT				· · · · · · · ·		
SN#90067 M10761						
Hose is covered with stainless steel armour cover and						
		fire resistant v				
	nsulation R	ted for 1500 de	grees complete		eyes	
Date:	6/6/2011	Tested By: BOBBY FINK		Approved: MENDI	ACKSON	



Internal Hydrostatic Test Graph

Customer: CACTUS

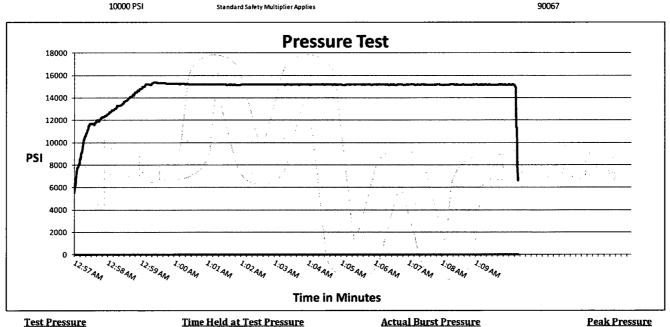
SALES ORDER# 90067

Hose Specifications

Hose Type <u>Length</u> 35' C&K I.D. <u>O.D.</u> **Working Pressure Burst Pressure**

Verification

Type of Fitting	Coupling Method
4 1/16 10K	Swage
<u>Die Size</u>	<u>Final O.D.</u>
6.62"	6.68"
Hose Serial #	Hose Assembly Serial #
	90067



Test Pressure 15000 PSI

11 1/4 Minutes

Peak Pressure 15439 PSI

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

Tested By: Bobby Fink

Approved By: Mendi Jackson

Mendi Jackson

EOG Resources 10M BOPE Rig Floor 1. 13 5/8" Rotating Head 2. Hydril 13 5/8" 10,000 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 6. 2 1/16" - 10,000 PSI WP Manuai Valves 7. 13 5/8" 3,000 PSI WP x 13 5/8" 5,000 PSI WP Spacer Spool 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 2 12. Mud Cross - 13 5/8" 10,000 PSI WP 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 ala a a da ③ **കിക കക കിക** (11)

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Exhibit 1

10,000 PSI BOP Annular Variance Request

EOG Resources request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOP).

1. Component and Preventer Compatibility Tables

The tables below outlines the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

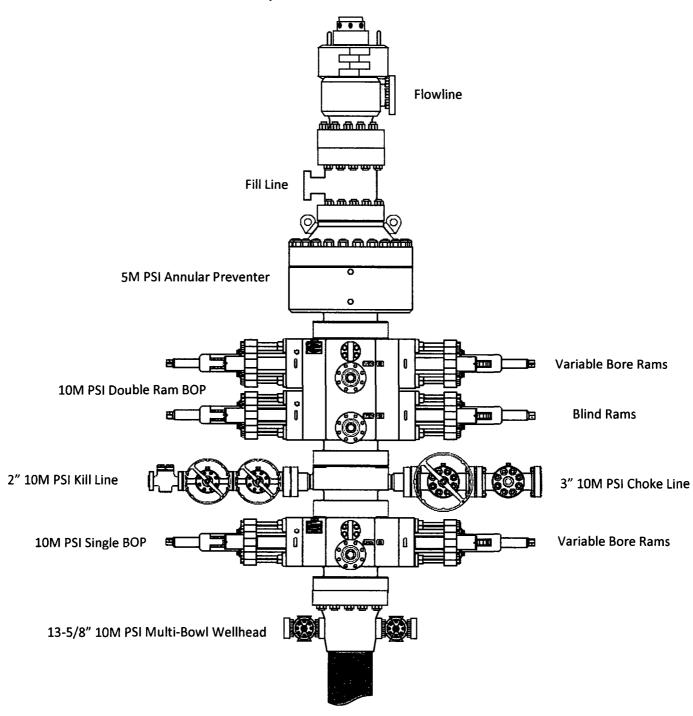
12-1/4" Intermediate Hole Section 10M psi requirement							
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP		
Drillpipe	5.000" or 4.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M		
HWDP	5.000" or 4.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M		
Jars	6.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M		
DCs and MWD tools	6.500" - 8.000"	Annular	5M	-	-		
Mud Motor	8.000" - 9.625"	Annular	5M	-	-		
1 st Intermediate casing	9.625"	Annular	5M	-	-		
Open-hole	-	Blind Rams	10M	-	-		

8-3/4" Intermediate Hole Section 10M psi requirement							
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP		
Drillpipe	5.000" or 4.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M		
HWDP	5.000" or 4.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M		
Jars	6.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M		
DCs and MWD tools	6.500" - 8.000"	Annular	5M	•	-		
Mud Motor	6.750" - 8.000"	Annular	5M	-	-		
2 nd Intermediate casing	7.625"	Annular	5M	-	-		
Open-hole	•	Blind Rams	10M	-	-		

6-3/4" Production Hole Section 10M psi requirement								
Component	OD	Primary Preventer	RWP	Alternate Preventer(s)	RWP			
Drillpipe	4.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
				Lower 3.5 - 5.5" VBR	10M			
HWDP	4.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
				Lower 3.5 - 5.5" VBR	10M			
DCs and MWD tools	4.750" - 5.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
				Lower 3.5 - 5.5" VBR	10M			
Mud Motor	4.750" – 5.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
				Lower 3.5 - 5.5" VBR	10M			
Mud Motor	5.500" 5.750"	Annular	5M	-	-			
Production casing	5.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
				Lower 3.5 - 5.5" VBR	10M			
Open-hole	-	Blind Rams	10M	-	-			

VBR = Variable Bore Ram

EOG Resources 13-5/8" 10M PSI BOP Stack



2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the EOG Resources drilling supervisor's office on location, and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

General Procedure While Drilling

- 1. Sound alarm (alert crew)
- 2. Space out drill string
- 3. Shut down pumps (stop pumps and rotary)
- 4. Shut-in Well (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

- 1. Sound alarm (alert crew)
- 2. Stab full opening safety valve and close
- 3. Space out drill string
- 4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

- 1. Sound alarm (alert crew)
- 2. Stab crossover and full opening safety valve and close
- 3. Space out string

- 4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

- 1. Sound alarm (alert crew)
- 2. Shut-in with blind rams. (HCR and choke will already be in the closed position.)
- 3. Confirm shut-in
- 4. Notify toolpusher/company representative
- 5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
- 6. Regroup and identify forward plan

General Procedures While Pulling BHA thru Stack

- 1. PRIOR to pulling last joint of drillpipe thru the stack.
 - a. Perform flowcheck, if flowing:
 - b. Sound alarm (alert crew)
 - c. Stab full opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper variable bore rams.
 - e. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
- 2. With BHA in the stack and compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full opening safety valve and close
 - c. Space out drill string with upset just beneath the upper variable bore rams.
 - d. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP and SICP

- ii. Pit gain
- iii. Time
- h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. If possible to pick up high enough, pull string clear of the stack and follow "Open Hole" scenario.
 - c. If impossible to pick up high enough to pull the string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper variable bore ram.
 - f. Shut-in using upper variable bore ram. (HCR and choke will already be in the closed position.)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - j. Regroup and identify forward plan

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

1,102'
1,497'
4,881'
5,066'
5,110'
6,142'
7,626'
9,122'
10,055
10,364'
10,687'
11,196'
11,818'
12,255'
12,384'

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

Upper Permian Sands	0- 400'	Fresh Water
Cherry Canyon	6,142'	Oil
Brushy Canyon	7,626'	Oil
1 st Bone Spring Sand	10,055'	Oil
2 nd Bone Spring Shale	10,364'	Oil
2 nd Bone Spring Sand	10,687'	Oil
3 rd Bone Spring Carb	11,196'	Oil
3 rd Bone Spring Sand	11,818'	Oil
Wolfcamp	12,255'	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 1,135' and circulating cement back to surface.

10,000 PSI BOP Annular Variance Request

EOG Resources request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOP).

1. Component and Preventer Compatibility Tables

The tables below outlines the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

12-1/4" Intermediate Hole Section								
Component	OD	OM psi requirement Primary Preventer	RWP	Alternate Preventer(s)	RWP			
Drillpipe	5.000" or	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
	4.500"			Lower 3.5 - 5.5" VBR	10M			
HWDP	5.000" or	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
	4.500"			Lower 3.5 - 5.5" VBR	10M			
Jars	6.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M			
				Lower 3.5 - 5.5" VBR	10M			
DCs and MWD tools	6.500" - 8.000"	Annular	5M	-	-			
Mud Motor	8.000" - 9.625"	Annular	5M	-	-			
1 st Intermediate casing	9.625"	Annular	5M	-	-			
Open-hole	-	Blind Rams	10M	-	-			

	8-3/4" Intermediate Hole Section 10M psi requirement							
Component OD Primary Preventer RWP Alternate Preventer(s) RV								
Drillpipe	5.000" or 4.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M			
HWDP	5.000" or 4.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M			
Jars	6.500"	Annular	5M	Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR	10M 10M			
DCs and MWD tools	6.500" - 8.000"	Annular	5M	-	-			
Mud Motor	6.750" - 8.000"	Annular	5M	-	-			
2 nd Intermediate casing	7.625"	Annular	5M	-	-			
Open-hole	-	Blind Rams	10M	•	-			

4. CASING PROGRAM - NEW

Hole		Csg				DF _{min}	DF _{min}	\mathbf{DF}_{min}
Size	Interval	OD	Weight	Grade	Conn	Collapse	Burst	Tension
17.5"	0 – 1,135'	13.375"	54.5#	J55	LTC	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' – 4,900'	9.625"	40#	HCK55	LTC	1.125	1.25	1.60
8.75"	0-11,300'	7.625"	29.7#	HCP-110	FXL	1.125	1.25	1.60
6.75"	0'-10,800'	5.5"	20#	P-110EC	DWC/C-IS MS	1.125	1.25	1.60
6.75"	10,800'- 20,013'	5.5"	20#	P-110EC	VAM SFC	1.125	1.25	1.60

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.

Cementing Program:

Depth	No. Sacks	Wt.	Yld Ft³/ft	Mix Water Gal/sk	Slurry Description
13-3/8" 1,135'	600	13.5	1.73	9.13	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ Surface)
	200	14.8	1.34	6.34	Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
9-5/8" 4,900'	1780	12.7	2.20	11.64	Lead: Class C + 0.15% C-20 + 11.63 pps Salt + 0.1% C-51 + 0.75% C-41P (TOC @ Surface)
	200	16.0	1.12	4.75	Tail: Class C + 0.13% C-20
7-5/8" 11,300'	340	11.5	2.72	15.70	Lead: Class C + 0.40% D013 + 0.20% D046 + 0.10% D065 + 0.20% D167 (TOC @ 4,400')
	210	16.0	1.12	4.74	Tail: Class H + 94.0 pps D909 + 0.25% D065 + 0.30% D167 + 0.02% D208 + 0.15% D800
5-1/2" 20,013'	950	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 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.

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 (10,000-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.

Variance is requested to use a 5,000 psi annular BOP with the 10,000 psi BOP stack.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 10,000/250 psig and the annular preventer to 5,000/250 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 10,000/250 psig and the annular preventer to 5000/250 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.

Dept <u>h</u>	Type	Weight (ppg)	Viscosity	Water Loss	
0 – 1,135'	Fresh - Gel	8.6-8.8	28-34	N/c	
1,135' – 4,900'	Brine	10.0-10.2	28-34	N/c	
4,900' – 11,300'	Oil Base	8.7-9.4	58-68	N/c - 6	
11,300' – 20,013'	Oil Base	10.0-14.0	58-68	3 - 6	
Lateral					

The highest mud weight needed to balance formation is expected to be 11.5 ppg. In order to maintain hole stability, mud weights up to 14.0 ppg may be utilized.

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.

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 181 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 9015 psig (based on 14.0 ppg MW). 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.

(A) EOG Resources requests the option to contract a Surface Rig to drill, set surface casing, and cement on the subject well. After WOC 8 hours or 500 psi compressive strength (whichever is greater), the Surface Rig will move off so the wellhead can be installed. A welder will cut the casing to the proper height and weld on the wellhead (both "A" and "B" sections). The weld will be tested to 1000 psi. All valves will be closed and a wellhead cap will be installed (diagram attached). If the timing between rigs is such that EOG Resources would not be able to preset the surface, the Primary Rig will MIRU and drill the well in its entirety per the APD.

11. WELLHEAD:

A multi-bowl wellhead system will be utilized.

After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 10,000 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 10,000 psi.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

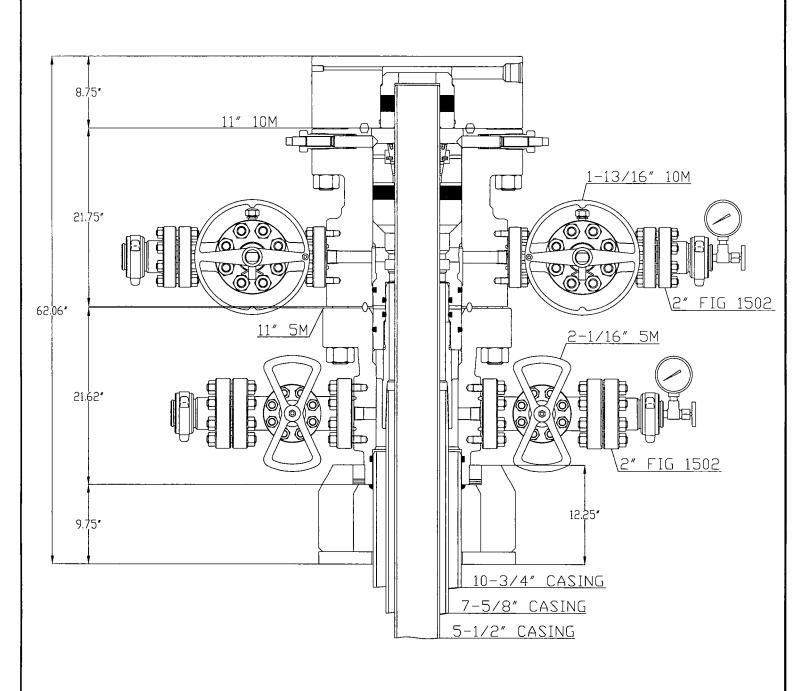
All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

6-3/4" Production Hole Section 10M psi requirement							
Component	OD :	Primary Preventer	RWP	Alternate Preventer(s)	RWP		
Drillpipe	4.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M		
			!	Lower 3.5 - 5.5" VBR	10M		
HWDP	4.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M		
				Lower 3.5 - 5.5" VBR	10M		
DCs and MWD tools	4.750" - 5.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M		
				Lower 3.5 - 5.5" VBR	10M		
Mud Motor	4.750" – 5.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M		
				Lower 3.5 - 5.5" VBR	10M		
Mud Motor	5.500" - 5.750"	Annular	5M	-	-		
Production casing	5.500"	Annular	5M	Upper 3.5 - 5.5" VBR	10M		
				Lower 3.5 - 5.5" VBR	10M		
Open-hole	_	Blind Rams	10M	-	-		

VBR = Variable Bore Ram



*CONCEPT QUOTE DRAWING *DIMENSIONS ARE APPROXIMATE

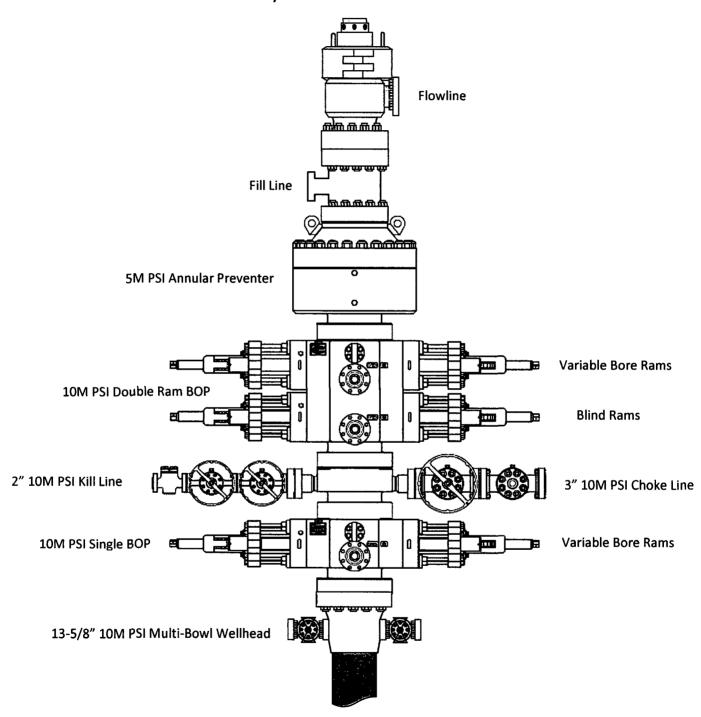
> 10-3/4" X 7-5/8" X 5-1/2" FBD-100 WELLHEAD SYSTEM QUOTE: HOU - 102101

BAY	2/22/17
BY	DATE
	BAY



DRAWING NO WH-16618

EOG Resources 13-5/8" 10M PSI BOP Stack



2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the EOG Resources drilling supervisor's office on location, and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

General Procedure While Drilling

- 1. Sound alarm (alert crew)
- 2. Space out drill string
- 3. Shut down pumps (stop pumps and rotary)
- 4. Shut-in Well (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

- 1. Sound alarm (alert crew)
- 2. Stab full opening safety valve and close
- 3. Space out drill string
- 4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

- 1. Sound alarm (alert crew)
- 2. Stab crossover and full opening safety valve and close
- 3. Space out string

- 4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
- 5. Confirm shut-in
- 6. Notify toolpusher/company representative
- 7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
- 8. Regroup and identify forward plan
- 9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

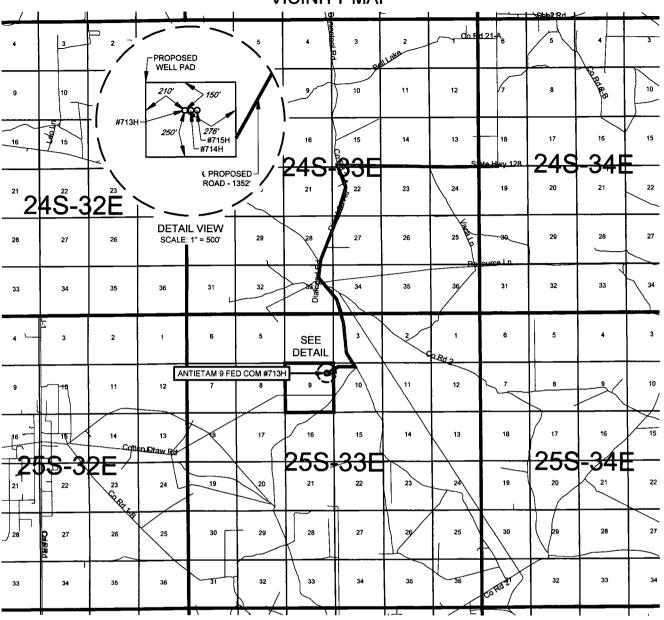
- 1. Sound alarm (alert crew)
- 2. Shut-in with blind rams. (HCR and choke will already be in the closed position.)
- 3. Confirm shut-in
- 4. Notify toolpusher/company representative
- 5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
- 6. Regroup and identify forward plan

General Procedures While Pulling BHA thru Stack

- 1. PRIOR to pulling last joint of drillpipe thru the stack.
 - a. Perform flowcheck, if flowing:
 - b. Sound alarm (alert crew)
 - c. Stab full opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper variable bore rams.
 - e. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
- 2. With BHA in the stack and compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full opening safety valve and close
 - c. Space out drill string with upset just beneath the upper variable bore rams.
 - d. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP and SICP

- ii. Pit gain
- iii. Time
- h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. If possible to pick up high enough, pull string clear of the stack and follow "Open Hole" scenario.
 - c. If impossible to pick up high enough to pull the string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper variable bore ram.
 - f. Shut-in using upper variable bore ram. (HCR and choke will already be in the closed position.)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - j. Regroup and identify forward plan

EXHIBIT 2 VICINITY MAP



eog resources, inc.

LEASE NAME & WELL NO.: ANTIETAM 9 FED COM #713H

 SECTION
 9
 TWP
 25-S
 RGE
 33-E
 SURVEY
 N.M.P.M.

 COUNTY
 LEA
 STATE
 NM

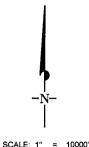
 DESCRIPTION
 1052' FNL & 690' FEL

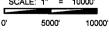
DISTANCE & DIRECTION

FROM INT. OF NM-128 W & DELAWARE BASIN RD., GO WEST ON NM-128 W ±3.3 MILES, THENCE SOUTH (LEFT) ON DIAMOND RD. ±2.5 MILES, THENCE SOUTHEAST (LEFT) ON C.R. 2 ±0.2 MILES, THENCE SOUTHWEST (RIGHT) AT VACA LN. ±1.8 MILE, THENCE WEST (RIGHT) ON LEASE RD. ±0.3 MILES, THENCE SOUTHWEST ON A PROPOSED RD. ±1352 FEET TO A POINT ±314 FEET SOUTHEAST 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 COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.







1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140

TELEPHONE: (817) 744-7512 • FAX (817) 744-7554

2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705

TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743

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