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15-838

DEC 21 2015

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Form 3160-3
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. NMNM122622 BHL

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

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

1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other ☑ Single Zone ☐ Multiple Zone

8. Lease Name and Well No. (38129) Endurance 36 State Com 701H

2. Name of Operator EOG Resources, Inc (7377)

9. API Well No. 30-025- 42984

3a. Address P.O. Box 2267 Midland, TX 79702

3b. Phone No. *(include area code)* 432-686-3689

10. Field and Pool, or Exploratory (98097) WC-025 G-09 S263327G; Upper WC

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface 360' FSL & 990' FWL, SWNW (E), Sec 36, 26S, 33E UNORTHODOX LOCATION

At proposed prod. zone 230' FNL & 330' FWL, NWNW (D), Sec 25

11. Sec., T. R. M. or Blk. and Survey or Area Section 36, T26S, R33E

14. Distance in miles and direction from nearest town or post office* Approximately +/- 27 miles Southwest from Jal, New Mexico

12. County or Parish Lea

13. State NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 230', 330' PP

16. No. of acres in lease 1640 Fed, 303.52 St.

17. Spacing Unit dedicated to this well 236.50 ac.

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 330' from 704H

19. Proposed Depth 19927' MD, 12630' TVD

20. BLM/BIA Bond No. on file NM 2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3335' GL

22. Approximate date work will start* 01/01/2016

23. Estimated duration 25 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature Stan Wagner — Name *(Printed/Typed)* Stan Wagner — Date 08/24/2015

Title Regulatory Specialist

Approved by *(Signature)* /S/ STEPHEN J. CAFFEY — Name *(Printed/Typed)* — Date DEC 17 2015

Title FOR FIELD MANAGER — Office BLM-CARLSBAD FIELD OFFICE

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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.

(Continued on page 2)

*(Instructions on page 2)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

KB 12/21/15 SEE ATTACHED FOR CONDITIONS OF APPROVAL

Witness Surface Casing

Carlsbad Controlled Water Basin

DEC 21 2015

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EOG RESOURCES, INC.
ENDURANCE 36 STATE COM NO. 701H

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	830'
Top of Salt	1,200'
Base of Salt / Top Anhydrite	4,950'
Base Anhydrite	5,178'
Lamar	5,178'
Bell Canyon	5,206'
Cherry Canyon	6,240'
Brushy Canyon	7,940'
Bone Spring Lime	9,410'
1st Bone Spring Sand	10,200'
2nd Bone Spring Lime	10,460'
2nd Bone Spring Sand	10,900'
3rd Bone Spring Carb	11,420'
3rd Bone Spring Sand	12,020'
Wolfcamp	12,400'
TD	12,630'

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

Upper Permian Sands	0- 400'	Fresh Water
Cherry Canyon	6,240'	Oil
Brushy Canyon	7,940'	Oil
1st Bone Spring Sand	10,200'	Oil
2nd Bone Spring Lime	10,460'	Oil
2nd Bone Spring Sand	10,900'	Oil
3rd Bone Spring Carb	11,420'	Oil
3rd Bone Spring Sand	12,020'	Oil
Wolfcamp	12,400'	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 855' and circulating cement back to surface.

Replacement APD pages emailed to BLM 10-30-15

4. CASING PROGRAM - NEW

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF_{min} Collapse	DF_{min} Burst	DF_{min} Tension
17.5"	0 – 855'	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' – 5,100'	9.625"	40#	HCK55	LTC	1.125	1.25	1.60
8.75"	0'-19,927'	5.5"	17#	HCP-110	BTC	1.125	1.25	1.60

Cementing Program:

Depth	No. Sacks	Wt. ppg	Yld Ft^3/ft	Mix Water Gal/sk	Slurry Description
13-3/8" 855'	400	13.5	1.73	9.13	Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% $CaCl_2$ + 0.25 lb/sk Cello-Flake (TOC @ Surface)
	300	14.8	1.34	6.34	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
9-5/8" 5,100'	1000	12.7	2.22	12.38	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	6.33	Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
5-1/2" 19,927'	775	9.0	2.79	10.12	Lead: LiteCRETE + 0.10% D-065 + 0.20% D-046 + 0.40% D-167 + 0.20% D-198 + 0.04% D-208 + 2.0% D-174 (TOC @ 4,600')
	2100	14.4	1.28	5.69	Tail: Class H + 47.01 pps D-909 + 37.01 pps + 5.0% D-020 + 0.30% D-013 + 0.20% D-046 + 0.10% D-065 + 0.50% D-167 + 2.0% D-174

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 (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

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

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

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 855'	Fresh - Gel	8.6-8.8	28-34	N/c
855' – 5,100'	Oil Base	8.7-9.4	58-68	N/c - 6
5,100' – 12,066'	Oil Base	8.7-9.4	58-68	N/c - 6
12,066' – 19,927' Lateral	Oil Base	10.0-10.5	58-68	N/c - 6

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) H_2S monitoring and detection equipment will be utilized from surface casing point to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logs are not planned for this well.

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

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

The estimated bottom-hole temperature (BHT) at TD is 182 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 5468 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.

(A) EOG Resources requests the option to contract a Surface Rig to drill, set surface casing, and cement on the subject well. 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.

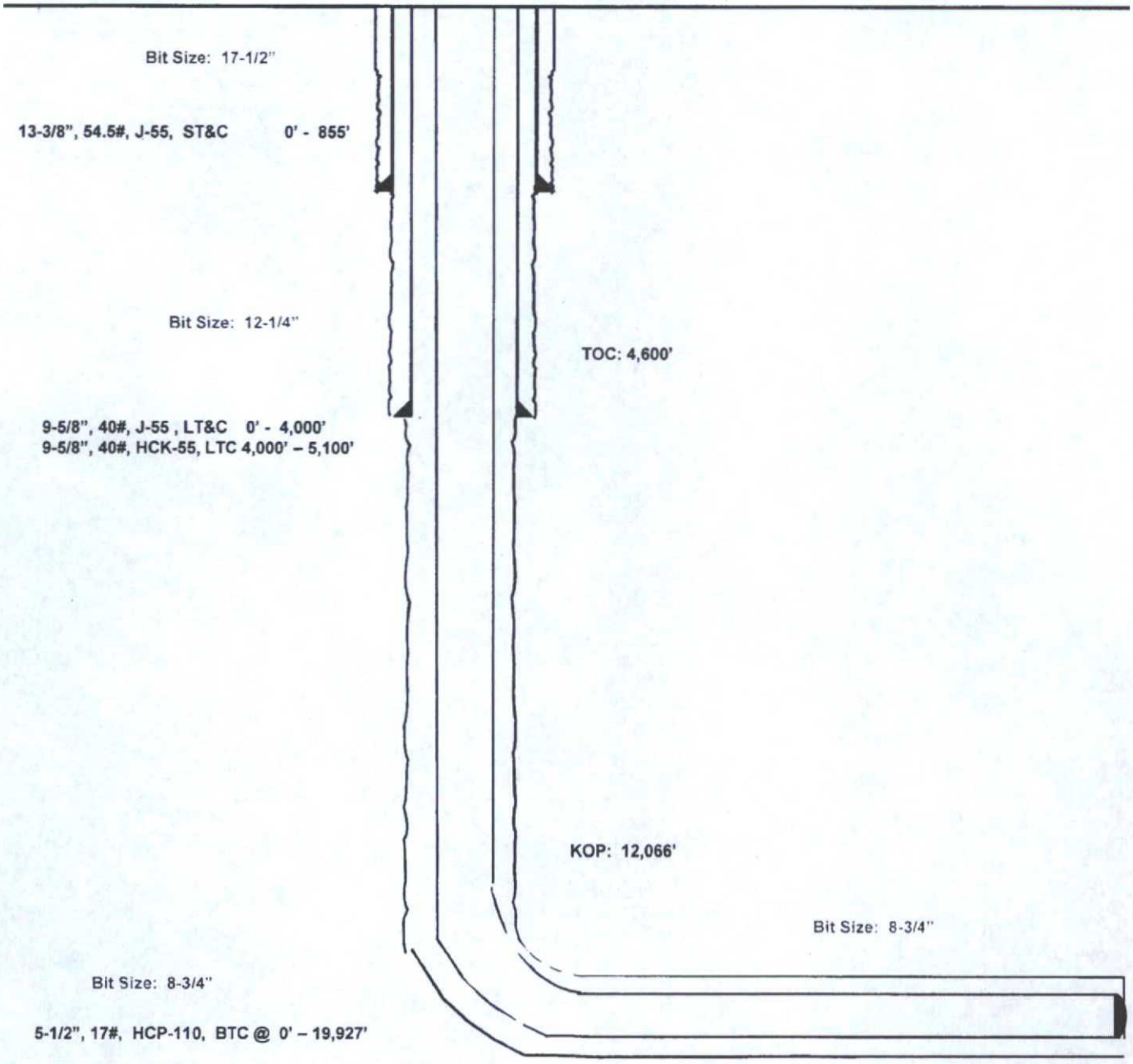
Endurance 36 State Com #701H

Lea County, New Mexico
Proposed Wellbore

360' FSL
990' FWL
Section 36
T-26-S, R-33-E

API: 30-025-

KB: 3,365'
GL: 3,335'



Lateral: 19,927' MD, 12,630' TVD
Upper Most Perf:
330' FSL & 330' FWL Sec. 36
Lower Most Perf:
330' FNL & 330' FWL Sec. 25
BH Location: 230' FNL & 330' FWL
Section 25
T-26-S, R-33-E

eog resources

PROJECT DETAILS: Lea County, NM (NAD 27 NME)	
Geodetic System:	US State Plane 1927 (Exact solution)
Datum:	NAD 1927 (NADCON CONUS)
Ellipsoid:	Clarke 1866
Zone:	New Mexico East 3001
System Datum:	Mean Sea Level

Lea County, NM (NAD 27 NME)

Endurance 36 State Com #701H

Plan #2

Azimuths to Grid North
True North: -0.42°
Magnetic North: 6.71°

Magnetic Field
Strength: 48013.9snT
Dip Angle: 59.89°
Date: 6/23/2015
Model: IGRF2015

To convert a Magnetic Direction to a Grid Direction, Add 6.71°
To convert a Magnetic Direction to a True Direction, Add 7.13° East
To convert a True Direction to a Grid Direction, Subtract 0.42°

WELL DETAILS: #701H

Ground Level: 3334.0
KB = 25 @ 3359.0usft

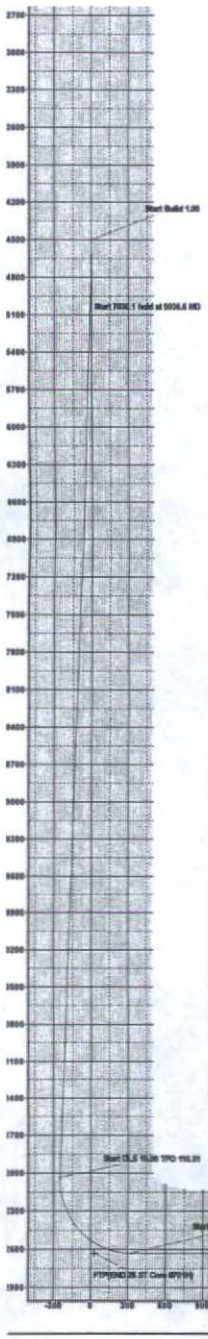
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.0	0.0	365060.00	748736.00	32° 0' 4.064 N	103° 31' 51.410 W	

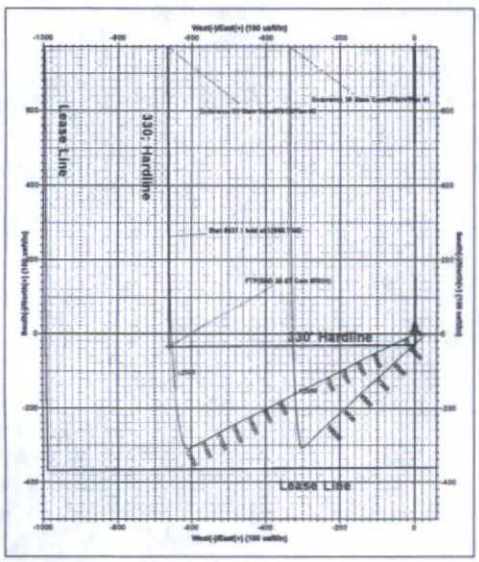
SECTION DETAILS

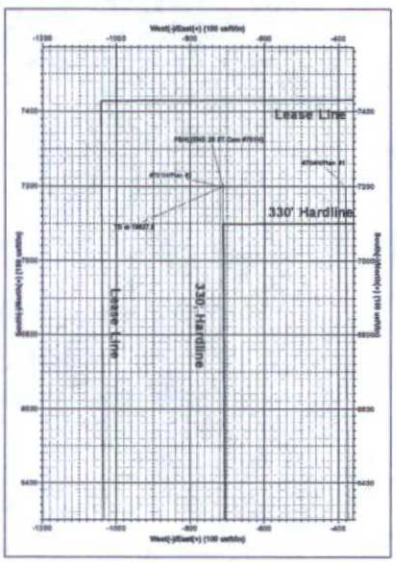
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	4500.0	0.00	0.00	4500.0	0.0	0.0	0.00	0.00	0.0	
3	5036.6	5.37	242.99	5035.8	-11.4	-22.4	1.00	242.99	-9.2	
4	12066.7	5.37	242.99	12035.1	-310.0	-608.1	0.00	0.00	-248.7	
5	12990.7	90.00	359.60	12630.0	262.1	-662.1	10.00	116.51	325.9	
6	19927.8	90.00	359.60	12630.0	7199.0	-711.0	0.00	0.00	7234.0	PBHL(END 26 ST Com #701H)

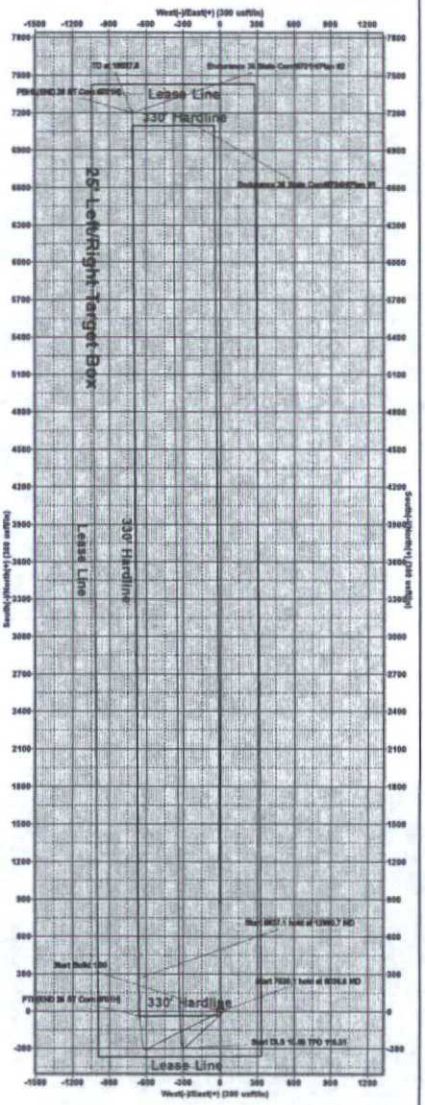
WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

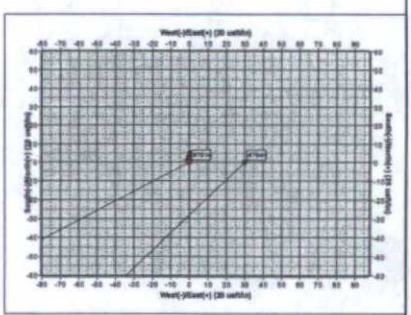
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
FTP(END 26 ST Com #701H)	12630.0	-55.0	-660.0	365025.00	748076.00	Point
PBHL(END 26 ST Com #701H)	12630.0	7199.0	-711.0	372289.00	748025.00	Point











eog resources

EOG Resources - Midland

Lea County, NM (NAD 27 NME)
Endurance 36 State Com
#701H

OH

Plan: Plan #2

Standard Planning Report

20 August, 2015

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Well #701H
Company:	EOG Resources - Midland	**TVD Reference:**	KB = 25 @ 3359.0usft
Project:	Lea County, NM (NAD 27 NME)	**MD Reference:**	KB = 25 @ 3359.0usft
Site:	Endurance 36 State Com	**North Reference:**	Grid
Well:	#701H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Project	Lea County, NM (NAD 27 NME)		
Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Endurance 36 State Com				
Site Position:		**Northing:**	365,036.00 usft	**Latitude:**	32° 0' 3.760 N
From:	Map	**Easting:**	749,506.00 usft	**Longitude:**	103° 31' 42.470 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.43 °

Well	#701H				
Well Position	**+N/-S**	24.0 usft	**Northing:**	365,060.00 usft	**Latitude:**	32° 0' 4.054 N
	+E/-W	-770.0 usft	**Easting:**	748,736.00 usft	**Longitude:**	103° 31' 51.410 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**	0.0 usft	**Ground Level:**	3,334.0 usft

Wellbore	OH			
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2015	6/23/2015	7.13	59.89	48,014

Design	Plan #2				
Audit Notes:					
Version:		**Phase:**	PLAN	**Tie On Depth:**	0.0
Vertical Section:	**Depth From (TVD) (usft)**	**+N/-S (usft)**	**+E/-W (usft)**	**Direction (°)**	
	0.0	0.0	0.0	354.36	

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	
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,036.6	5.37	242.99	5,035.8	-11.4	-22.4	1.00	1.00	0.00	242.99	
12,066.7	5.37	242.99	12,035.1	-310.0	-608.1	0.00	0.00	0.00	0.00	
12,990.7	90.00	359.60	12,630.0	262.1	-662.1	10.00	9.16	12.62	116.51	
19,927.8	90.00	359.60	12,630.0	7,199.0	-711.0	0.00	0.00	0.00	0.00	PBHL(END 26 ST Co