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 <u>District III</u>

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

### State of New Mexico

## Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-101 August 1, 2011

Permit 141070

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

|                                    | or Name and Address ESOURCES INC | 2. OGRID Number<br>7377       |  |
|------------------------------------|----------------------------------|-------------------------------|--|
| P.O. Box 2267<br>Midland, TX 79702 |                                  | 3. API Number<br>30-025-40371 |  |
| 4. Property Code                   | 5. Property Name                 | 6. Well No.                   |  |
| 38961                              | BROWN BEAR 36 STATE              | 001H                          |  |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M        | 36      | 25S      | 33E   | M       | 180       | S        | 430       | W        | LEA    |

#### 8. Pool Information

WC RED HILLS;BONE SPRING UPPER SHAL

97900

Additional Well Information

|                 |          |            | . Idultional Well Inform          | Intion         |                                   |
|-----------------|----------|------------|-----------------------------------|----------------|-----------------------------------|
| 9. Work Type    | 10. We   | ii Type    | 11. Cable/Rotary                  | 12. Lease Type | 13. Ground Level Elevation        |
| New Well        | O.       | L          |                                   | State          | 3318                              |
| 14. Multiple    | 15. Prop | osed Depth | 16. Formation                     | 17. Contractor | 18. Spud Date                     |
| N               | 14       | 1114       | Bone Spring                       | 200            | 1/1/2012                          |
| Depth to Ground | water    |            | Distance from nearest fresh water | r well         | Distance to nearest surface water |

19. Proposed Casing and Cement Program

| 13.7 |           |             |                  |               |                 | VS.           |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
| Surf | 17.5      | 13.375      | 54.5             | 1005          | 825             | 0             |
| Int1 | 12.25     | 9.625       | 40               | 5100          | 1525            | 0             |
| Prod | 8.75      | 5.5         | 17               | 14114         | 1900            | 4600          |

| Casing/Cement Program: Additional Comments |  |
|--|--|
|  |  |
|  |  |
|  |  |

Proposed Blowout Prevention Program

| 5         | 1 Toposcu Dionout 1 | C CHEIOH I TOGTAM | Y2-          |
|-----------|---------------------|-------------------|--------------|
| Туре      | Working Pressure    | Test Pressure     | Manufacturer |
| DoubleRam | 3000                | 3000              |              |

| I hereby certify that the information given above is true and complete to the best of my knowledge and belief.  I further certify that the drilling pit will be constructed according to | OIL CONSERVATION DIVISION                             |  |  |  |  |
|--|---|--|--|--|--|
| NMOCD guidelines . , a general permit . , or an (attached) alternative OCD-approved plan .   | Approved By: Paul Kautz                               |  |  |  |  |
| Printed Name: Electronically filed by Stan Wagner  | Title: Geologist                                      |  |  |  |  |
| Title: Regulatory Analyst  | Approved Date: 12/14/2011 Expiration Date: 12/14/2013 |  |  |  |  |
| Email Address: Stan_Wagner@eogresources.com  |   |  |  |  |  |
| Date: 12/7/2011 Phone: 432-686-3689  | Conditions of Approval Attached                       |  |  |  |  |

#### <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

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## State of New Mexico

## Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 Form C-102 August 1, 2011

Permit 141070

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number    | 2. Pool Code        | WC RED HILLS; | 3. Pool Name           |
|------------------|---------------------|---------------|------------------------|
| 30-025-40371     | 97900               |               | BONE SPRING UPPER SHAL |
| 4. Property Code | 5. Property Name    |               | 6. Well No.            |
| 38961            | BROWN BEAR 36 STATE |               | 001H                   |
| 7. OGRID No.     | 8. Operator Name    |               | 9. Elevation           |
| 7377             | EOG RESOURCES INC   |               | 3318                   |

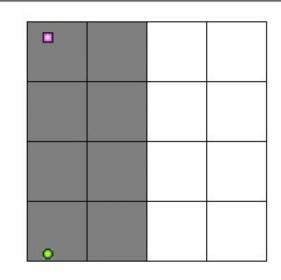
#### 10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M        | 36      | 25S      | 33E   |         | 180       | S        | 430       | W        | LEA    |

#### 11. Bottom Hole Location If Different From Surface

| UL - Lot | Section     | Township | Range          | Lot Idn | Feet From         | N/S Line | Feet From | E/W Line      | County |
|----------|-------------|----------|----------------|---------|-------------------|----------|-----------|---------------|--------|
| D        | 36          | 25S      | 33E            | D       | 330               | N        | 430       | W             | LEA    |
|          | cated Acres | 13. J    | oint or Infill | 14      | . Consolidation ( | Code     |           | 15. Order No. |        |

# 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



#### OPERATOR 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 unleased mineral interest in the land including the proposed bottom hole location(s) 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.

E-Signed By: Stan Wagner Title: Regulatory Analyst Date: 12/7/2011

#### SURVEYOR 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 and correct to the best of my belief.

Surveyed By: Terry Asel
Date of Survey: 10/18/2011
Certificate Number: 15079

## **Permit Comments**

Operator: EOG RESOURCES INC , 7377 Well: BROWN BEAR 36 STATE #001H

API: 30-025-40371

| Created<br>By | Comment  | Comment<br>Date |
|---------------|--|-----------------|
| SWAGNER       | C-144, C-102, Casing Detail, Directional plan and H2S plan will be mailed<br>separately. | 12/6/2011       |
| pkautz        | Land s/S   | 12/7/2011       |
| DMULL         | OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-04004.                | 12/14/2011      |

# Permit Conditions of Approval

Operator: EOG RESOURCES INC , 7377 Well: BROWN BEAR 36 STATE #001H

API: 30-025-40371

| OCD<br>Reviewer | Condition  |
|-----------------|--|
| pkautz          | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the<br>surface, the operator shall drill without interruption through the fresh water zone or zones and shall<br>immediately set in cement the water protection string |