

DATE IN 1/13/06	SUSPENSE 2-2-06	ENGINEER MIKE	LOGGED IN 1/30/06	TYPE NSL	APP NO. 8750603037264
--------------------	--------------------	------------------	----------------------	-------------	--------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Amberley H. H. H.*  
*delivered*

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

2006 JAN 13 PM 5 43

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☒ SD  
 Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM  
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR  
 [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☒ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☒ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

<u>William F. Carr</u> Print or Type Name	<u>William F. Carr</u> Signature	<u>ATTORNEY</u> Title	<u>1/13/05</u> Date
		<u>wcarr@hollandhart.com</u> e-mail Address	

January 13, 2006

**HAND-DELIVERED**

Mark E. Fesmire, P. E.  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Danube 14 Federal Com Well No. 2H to be horizontally drilled from an unorthodox surface location 230 feet from the South line and 330 feet from the East line to a proposed end point or bottomhole location 660 feet from the North line and 760 feet from the East line of Section 14, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico and the simultaneous dedication of the E/2 of said Section 14, to its proposed Danube 14 Federal Com Well No. 2H and the existing Danube 14 Federal Com Well No. 1H.

Dear Mr. Fesmire:

EOG is the operator of a standard 320-acre gas spacing unit in the Undesignated Northeast Collins Ranch-Wolfcamp Gas Pool (**Pool Code 96623**) comprised of the E/2 of Section 14, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico. This spacing unit is dedicated to EOG's Danube 14 Federal Com Well No. 1H that currently produces from the Wolfcamp formation.

**Unorthodox Surface Location:**

EOG Resources, Inc. ("EOG") hereby seeks administrative approval pursuant to the provisions of Division Rule 104 F (2) adopted on January 18, 1996, of an unorthodox surface location for its Danube Federal 14 Com Well No. 2H to be horizontally drilled to the Wolfcamp formation from an unorthodox surface location 230 feet from the South line and 330 feet from the East line of Section 14, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. A

standard 320-acre spacing and proration unit comprised of the E/2 of Section 14 will be dedicated to these wells.

The Wolfcamp formation is currently governed by Division Rule 104.C(2), which provides for: (i) 320-acre spacing units comprised of any two contiguous quarter sections of a single governmental section; (ii) wells to be located not closer to a quarter section line than 660 feet nor closer to any internal quarter-quarter section line than 10 feet, and (iii) an optional infill well within an existing unit provided the infill well is located in the quarter section not containing the unit's initial producing gas well.

EOG originally staked the well at a standard location but it fell too close to a dwelling and had to be moved. Several alternative locations were proposed but were not approved by the BLM because one was determined to be in an archeologically sensitive area and one in a low-lying area. Though not the reason for the nonstandard well location, the proposed unorthodox surface location will enable EOG to drill the vertical portion of the well and build the necessary curve so as to maximize the horizontal portion of wellbore located within the Producing Area for the well in the Wolfcamp formation. The well will intersect the top of the Wolfcamp formation at an estimated depth of 4,945 feet and the producing horizontal portion of the wellbore in the Wolfcamp formation will at all times be at least 660 feet from the outer boundary of the dedicated Project Area for the well. Attached hereto as **Exhibit A** is a copy of Division Form C-102 for this well that shows the Point of Entry at the top of the Wolfcamp formation to be 660 feet from the South and East lines of Section 14. **Exhibit B** is EOG's Planning Report for the well that confirms the projected wellbore deviation.

**Exhibit C** is a plat that shows the subject area, the 320-acre spacing unit comprised of the E/2 of Section 14 and the proposed location of the well including the unorthodox surface location. The ownership of the offsetting tracts affected by this unorthodox surface location to the South and to the East is common with the ownership of the subject spacing unit, The Division designated-operator of the offsetting tract to the Southeast is Yates Petroleum Corporation that is the only affected parties to whom notice of this application is required by Division rules. **Exhibit D** is a copy of a letter from Yates waiving objection to the unorthodox location .

**Simultaneous Dedication:**

EOG also seeks administrative approval of the simultaneous dedication of this standard 320-acre gas spacing unit to the following two horizontal gas wells:

- A. the existing Danube 14 Federal Com Well No. 1H (API No. 30-015-34198) horizontally drilled from a surface location 1074 feet from the South line and



1703 feet from the East line to an end point or bottomhole location 660 feet from the North line and 1880 feet from the East line of said Section 14; and

- B. the proposed Danube 14 Federal Com Well No. 2H (**API No. 30-015-34494**) to be horizontally drilled from a surface location 230 feet from the South line and 330 feet from the East line to a proposed end point or bottomhole location 660 feet from the North line and 760 feet from the East line of said Section 14.

The wellbore directional survey of the Danube 14 Federal Com Well No. 1H has been filed with the Division and shows the path of the wellbore within the Wolfcamp formation to be standard pursuant to Division Rules 104.C (2) (a) and 111.A (7). EOG now intends to horizontally drill and complete its proposed Danube 14 Federal Com Well No. 2H in such a manner that its path meets the set-back requirements of Division Rules 104.C (2) (b) and 111.A (7) for deep gas wells in southeast New Mexico. The well will be drilled to the targeted subsurface end-point or bottomhole location, 660 feet from the North line and 760 feet from the East line (Unit A) of Section 14.

The simultaneous dedication of the E/2 of said Section 14 to the Danube 14 Federal Com Well Nos. 1H and 2H will afford EOG the opportunity to efficiently produce the Wolfcamp formation under this spacing unit. EOG's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit nor will either well be closer to the outer boundary of the horizontal well project area than permitted by Division Rules. Accordingly, there are no other interest owners who are affected by this application.

Your attention to this application is appreciated.

Very truly yours,

William F. Carr  
Attorney for EOG Resources, Inc.

Enclosures

cc: Mr. Rick Lanning  
EOG Resources, Inc.  
Post Office Box 2267  
Midland, Texas 79702

**DISTRICT I**  
1625 N. French Dr., Hobbs, NM 88240

**DISTRICT II**  
1301 W. Grand Avenue, Artesia, NM 88210

**DISTRICT III**  
1000 Elc Brasos Rd., Aztec, NM 87410

**DISTRICT IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals, and Natural Resources Department

**OIL CONSERVATION DIVISION**

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Form C-102

Revised August 15, 2000

Submit to Appropriate District Office

State Lease - 4 copies

Fee Lease - 3 copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
	96623	Collins Ranch NE,wolfcamp gas
Property Code	Property Name	Well Number
	DANUBE "14" FED COM	2H
OGRID No.	Operator Name	Elevation
7377	EOG RESOURCES, INC.	8716'

**10 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	17 SOUTH	24 EAST, N.M.P.M.		230'	SOUTH	330'	EAST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	17 SOUTH	24 EAST, N.M.P.M.		660'	NORTH	760'	EAST	EDDY
Dedicated Acres		Joint or Infill	Consolidation Code	Order No.					
320									

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

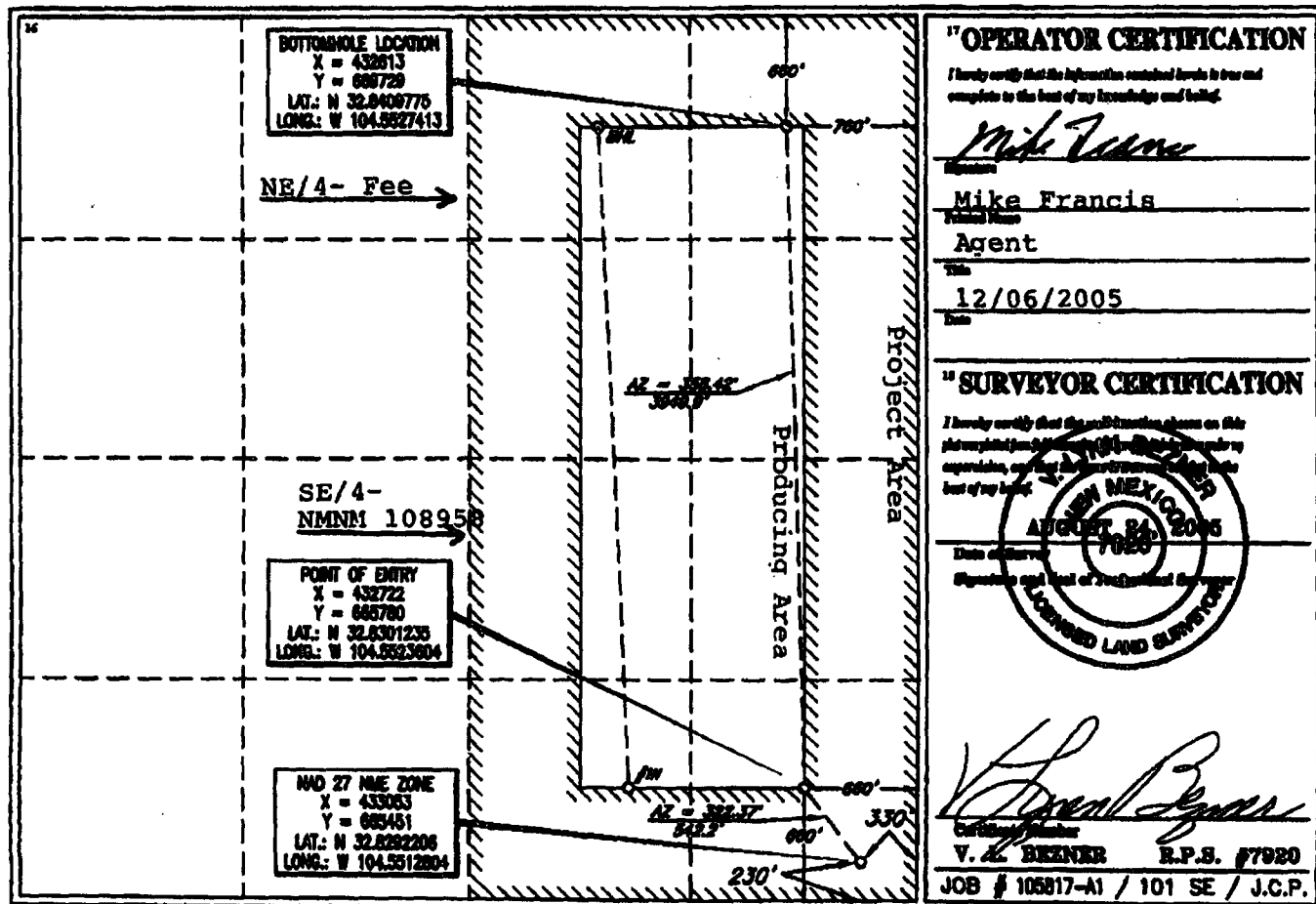


EXHIBIT A

# EOG Resources Inc

## Planning Report

**Database:** RDRILL.eogresources.com  
**Company:** EOG Midland  
**Project:** Thames  
**Site:** Danube 14 Fed Com #2H  
**Well:** Danube 14 Fed Com #2H  
**Wellbore:** Danube 14 Fed Com #2H  
**Design:** Plan #1

**Local Co-ordinate Reference:** Well Danube 14 Fed Com #2H  
**TVD Reference:** WELL @ 3733.0ft (Original Well Elev)  
**MD Reference:** WELL @ 3733.0ft (Original Well Elev)  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature

**Project:** Thames  
**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:** Danube 14 Fed Com #2H  
**Site Position:** Northing: 665,451.00ft Latitude: 32° 49' 45.198 N  
**From:** Map Easting: 433,053.00ft Longitude: 104° 33' 4.605 W  
**Position Uncertainty:** 0.0 ft Slot Radius: " Grid Convergence: -0.12 "

**Well:** Danube 14 Fed Com #2H  
**Well Position:** +N-S 0.0 ft Northing: 665,451.00ft Latitude: 32° 49' 45.198 N  
 +E-W 0.0 ft Easting: 433,053.00ft Longitude: 104° 33' 4.605 W  
**Position Uncertainty:** 0.0 ft Wellhead Elevation: ft Ground Level: 3,715.0 ft

**Wellbore:** Danube 14 Fed Com #2H  
**Magnetics:** Model Name Sample Date Declination Dip Angle Field Strength  
 IGRF2000 12/31/2004 9.06 60.81 49,665

**Design:** Plan #1  
**Audit Notes:**  
**Version:** Phase: PROTOTYPE Tie On Depth: 0.0  
**Vertical Section:** Depth From (TVD) N-S E-W Direction  
 (ft) (ft) (ft) (ft)  
 0.0 0.0 0.0 354.13

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	N-S (ft)	E-W (ft)	Displacement Rate (ft/100ft)	Bore Rate (ft/100ft)	Turn Rate (ft/100ft)	TVD (ft)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,618.0	0.00	0.00	4,618.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,105.2	73.08	302.95	4,983.4	147.3	-227.2	15.00	15.00	0.00	302.95	
5,563.4	91.53	359.85	5,050.0	530.0	-430.0	12.88	4.03	12.42	77.58	LP(Danube#2H)
5,563.4	91.53	359.85	5,050.0	530.0	-430.0	3.00	0.00	0.00	0.00	
9,312.6	91.53	359.85	4,950.0	4,277.9	-440.0	0.00	0.00	0.00	0.00	
9,312.7	91.53	359.85	4,950.0	4,278.0	-440.0	3.00	1.51	2.60	59.87	BHL(Danube#2H)

# EOG Resources Inc

## Planning Report

Database: RDRILL.eogresources.com  
 Company: EOG Midland  
 Project: Thames  
 Site: Danube 14 Fed Com #2H  
 Well: Danube 14 Fed Com #2H  
 Wellbore: Danube 14 Fed Com #2H  
 Design: Plan #1

Local Co-ordinate Reference:  
 TYP Reference:  
 MD Reference:  
 North Reference:  
 Survey Calculation Method:

Well Danube 14 Fed Com #2H  
 WELL @ 3733.0ft (Original Well Elev)  
 WELL @ 3733.0ft (Original Well Elev)  
 Grid  
 Minimum Curvature

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
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	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,618.0	0.00	0.00	4,618.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	12.30	302.95	4,699.4	4.8	-7.4	5.5	15.00	15.00	0.00
4,800.0	27.30	302.95	4,793.2	23.1	-35.7	26.7	15.00	15.00	0.00
4,900.0	42.30	302.95	4,875.1	54.1	-83.5	62.4	15.00	15.00	0.00
5,000.0	57.30	302.95	4,939.4	95.5	-147.4	110.1	15.00	15.00	0.00
5,100.0	72.30	302.95	4,981.9	144.6	-223.1	166.7	15.00	15.00	0.00
5,105.2	73.08	302.95	4,983.4	147.3	-227.2	169.8	15.00	15.00	0.00

# EOG Resources Inc

## Planning Report

**Database:** RDRILL.eogresources.com  
**Company:** EOG Midland  
**Project:** Thames  
**Site:** Danube 14 Fed Com #2H  
**Well:** Danube 14 Fed Com #2H  
**Wellbore:** Danube 14 Fed Com #2H  
**Design:** Plan #1

**Local Coordinate Reference:** Well Danube 14 Fed Com #2H  
**TYD Reference:** WELL @ 3733.0ft (Original Well Elev)  
**MD Reference:** WELL @ 3733.0ft (Original Well Elev)  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
5,200.0	76.06	315.25	5,008.8	204.9	-297.9	234.3	12.88	3.14	12.96	
5,300.0	79.85	327.84	5,029.7	281.3	-358.6	316.5	12.88	3.79	12.59	
5,400.0	84.10	340.13	5,043.7	370.1	-401.8	409.3	12.88	4.26	12.28	
5,500.0	88.62	352.22	5,050.1	466.8	-425.6	507.9	12.88	4.52	12.09	
5,563.4	91.53	359.85	5,050.0	530.0	-430.0	571.2	12.88	4.59	12.04	
5,600.0	91.53	359.85	5,049.0	566.6	-430.1	607.6	0.00	0.00	0.00	
5,700.0	91.53	359.85	5,046.4	666.6	-430.4	707.1	0.00	0.00	0.00	
5,800.0	91.53	359.85	5,043.7	766.5	-430.6	806.6	0.00	0.00	0.00	
5,900.0	91.53	359.85	5,041.0	866.5	-430.9	906.0	0.00	0.00	0.00	
6,000.0	91.53	359.85	5,038.4	966.5	-431.2	1,005.5	0.00	0.00	0.00	
6,100.0	91.53	359.85	5,035.7	1,066.4	-431.4	1,105.0	0.00	0.00	0.00	
6,200.0	91.53	359.85	5,033.0	1,166.4	-431.7	1,204.4	0.00	0.00	0.00	
6,300.0	91.53	359.85	5,030.4	1,266.4	-432.0	1,303.9	0.00	0.00	0.00	
6,400.0	91.53	359.85	5,027.7	1,366.3	-432.2	1,403.4	0.00	0.00	0.00	
6,500.0	91.53	359.85	5,025.0	1,466.3	-432.5	1,502.8	0.00	0.00	0.00	
6,600.0	91.53	359.85	5,022.4	1,566.3	-432.8	1,602.3	0.00	0.00	0.00	
6,700.0	91.53	359.85	5,019.7	1,666.2	-433.0	1,701.8	0.00	0.00	0.00	
6,800.0	91.53	359.85	5,017.0	1,766.2	-433.3	1,801.2	0.00	0.00	0.00	
6,900.0	91.53	359.85	5,014.4	1,866.2	-433.6	1,900.7	0.00	0.00	0.00	
7,000.0	91.53	359.85	5,011.7	1,966.1	-433.8	2,000.2	0.00	0.00	0.00	
7,100.0	91.53	359.85	5,009.0	2,066.1	-434.1	2,099.7	0.00	0.00	0.00	
7,200.0	91.53	359.85	5,006.3	2,166.0	-434.4	2,199.1	0.00	0.00	0.00	
7,300.0	91.53	359.85	5,003.7	2,266.0	-434.6	2,298.6	0.00	0.00	0.00	
7,400.0	91.53	359.85	5,001.0	2,366.0	-434.9	2,398.1	0.00	0.00	0.00	
7,500.0	91.53	359.85	4,998.3	2,465.9	-435.2	2,497.5	0.00	0.00	0.00	
7,600.0	91.53	359.85	4,995.7	2,565.9	-435.4	2,597.0	0.00	0.00	0.00	
7,700.0	91.53	359.85	4,993.0	2,665.9	-435.7	2,696.5	0.00	0.00	0.00	
7,800.0	91.53	359.85	4,990.3	2,765.8	-436.0	2,795.9	0.00	0.00	0.00	
7,900.0	91.53	359.85	4,987.7	2,865.8	-436.2	2,895.4	0.00	0.00	0.00	
8,000.0	91.53	359.85	4,985.0	2,965.8	-436.5	2,994.9	0.00	0.00	0.00	
8,100.0	91.53	359.85	4,982.3	3,065.7	-436.8	3,094.3	0.00	0.00	0.00	
8,200.0	91.53	359.85	4,979.7	3,165.7	-437.0	3,193.8	0.00	0.00	0.00	
8,300.0	91.53	359.85	4,977.0	3,265.6	-437.3	3,293.3	0.00	0.00	0.00	
8,400.0	91.53	359.85	4,974.3	3,365.6	-437.6	3,392.7	0.00	0.00	0.00	
8,500.0	91.53	359.85	4,971.7	3,465.6	-437.8	3,492.2	0.00	0.00	0.00	
8,600.0	91.53	359.85	4,969.0	3,565.5	-438.1	3,591.7	0.00	0.00	0.00	
8,700.0	91.53	359.85	4,966.3	3,665.5	-438.4	3,691.1	0.00	0.00	0.00	
8,800.0	91.53	359.85	4,963.7	3,765.5	-438.6	3,790.6	0.00	0.00	0.00	
8,900.0	91.53	359.85	4,961.0	3,865.4	-438.9	3,890.1	0.00	0.00	0.00	
9,000.0	91.53	359.85	4,958.3	3,965.4	-439.2	3,989.5	0.00	0.00	0.00	
9,100.0	91.53	359.85	4,955.7	4,065.4	-439.4	4,089.0	0.00	0.00	0.00	
9,200.0	91.53	359.85	4,953.0	4,165.3	-439.7	4,188.5	0.00	0.00	0.00	
9,300.0	91.53	359.85	4,950.3	4,265.3	-440.0	4,287.9	0.00	0.00	0.00	
9,312.6	91.53	359.85	4,950.0	4,277.9	-440.0	4,300.5	0.00	0.00	0.00	
9,312.7	91.53	359.85	4,950.0	4,278.0	-440.0	4,300.6	3.00	1.51	2.60	



# EOG Resources Inc

## Planning Report

**Database:** RDRILL.eogresources.com  
**Company:** EOG Midland  
**Project:** Thames  
**Site:** Danube 14 Fed Com #2H  
**Well:** Danube 14 Fed Com #2H  
**Wellbore:** Danube 14 Fed Com #2H  
**Design:** Plan #1

**Local Co-ordinate Reference:** Well Danube 14 Fed Com #2H  
**TVD Reference:** WELL @ 3733.0ft (Original Well Elev)  
**MD Reference:** WELL @ 3733.0ft (Original Well Elev)  
**North Reference:** Grid  
**Survey Calculation Method:** Minimum Curvature

Targets									
Target Name	Dip Angle	Dip Dir	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude
- hits/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
BHL(Danube#2H)	0.00	0.00	4,950.0	4,278.0	-440.0	669,729.00	432,613.00	32° 50' 27.521 N	104° 33' 9.865 W
- plan hits target									
- Point									
LP(Danube#2H)	0.00	0.00	5,050.0	530.0	-430.0	665,981.00	432,623.00	32° 49' 50.434 N	104° 33' 9.657 W
- plan hits target									
- Point									

# SITE DETAILS: Danube 14 Fed Com #2H

Site Centre Northing: 865451.00  
Easting: 433053.00

Positional Uncertainty: 0.0  
Convergence: -0.12  
Local North: Grid

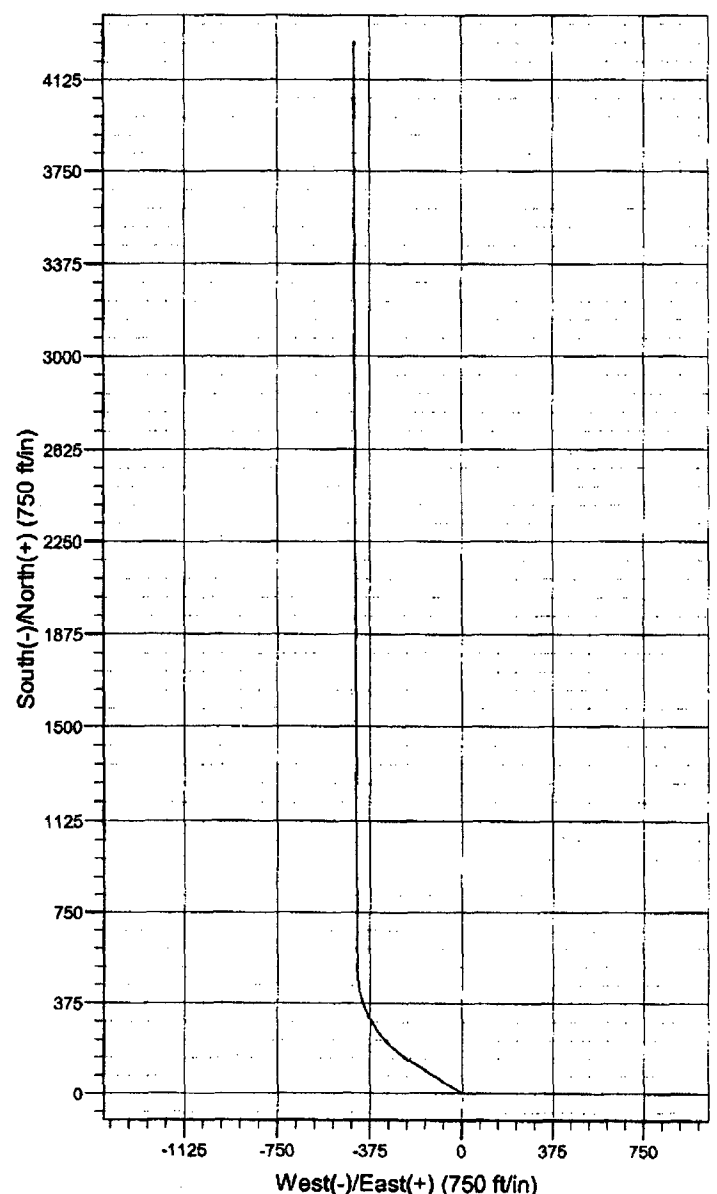
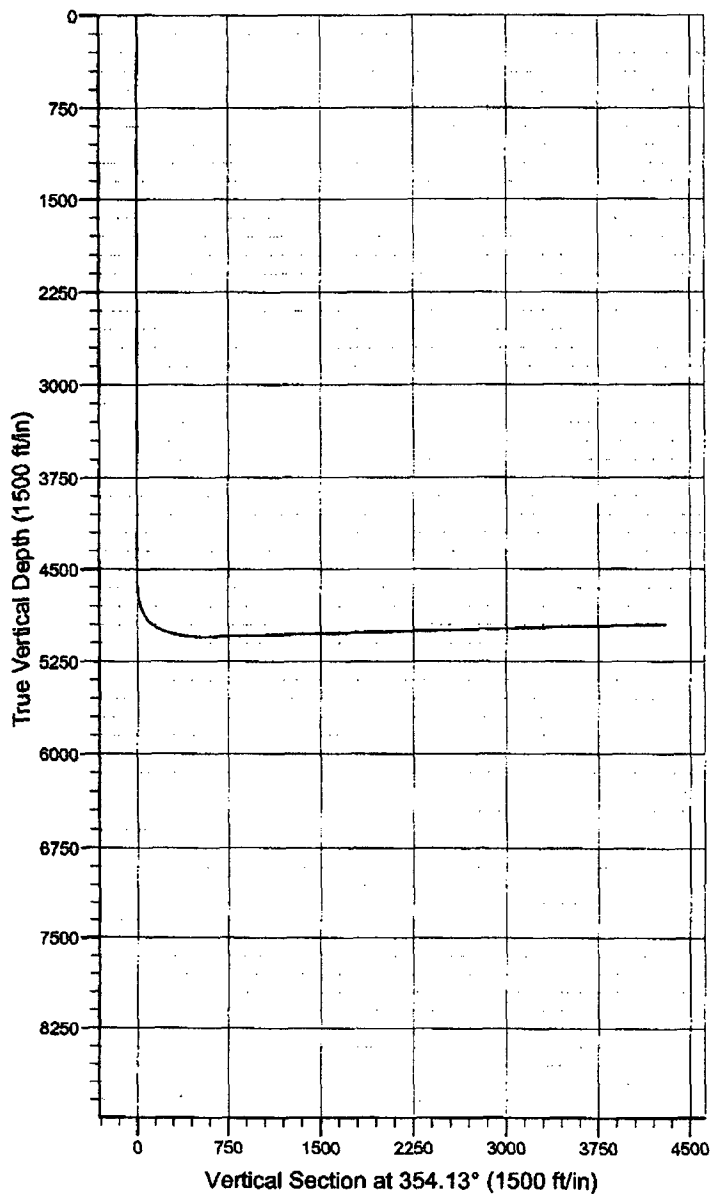
## PROJECT DETAILS: Thames

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

## SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
4618.0	0.00	0.00	4618.0	0.0	0.0	0.00	0.00	0.0	
5105.2	73.08	302.95	4983.4	147.3	-227.2	15.00	302.95	169.8	
5563.4	91.53	359.85	5050.0	530.0	-430.0	12.88	77.58	571.2	LP(Danube#2H)
5563.4	91.53	359.85	5050.0	530.0	-430.0	3.00	0.00	571.2	
9312.6	91.53	359.85	4950.0	4277.9	-440.0	0.00	0.00	4300.5	
9312.7	91.53	359.85	4950.0	4278.0	-440.0	3.00	59.87	4300.6	BHL(Danube#2H)





JAN-12-2006 THU 02:56 PM YATES PETROLEUM LAND

FAX NO. 5057484572

P. 02

MARTIN YATES, III  
1972 - 1985  
FRANK W. YATES  
1986 - 1990



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

January 11, 2006

EOG Resources, Inc.  
Attn: Mr. Rick Lanning  
P.O. Box 2267  
Midland, TX 79702

Re: EOG's Danube "14" Fed Com #2H Well  
Township 17 South, Range 24 East, N.M.P.M.  
Section 14: E2  
Eddy County, New Mexico

Dear Mr. Lanning:


Yates Petroleum Corporation has received your request for waiver of the surface location and simultaneous dedication of the captioned well in the E/2 Section 14, Township 17 South, Range 24 East to the Wolfcamp production from the proposed well and the existing Danube "14" Fed Com #1 well. Yates Petroleum Corporation is willing to waive its objection to this proposed simultaneous dedication and unorthodox surface location contingent upon EOG Resources, Inc. simultaneously waiving any objection to a similar location proposed by Yates Petroleum Corporation in the E/2 of Section 23, Township 17 South, Range 24 East.

We hereby request that you sign this letter acknowledging your agreement to waive any objection to a similar proposal from Yates Petroleum Corporation. If the letter is signed by both Yates Petroleum Corporation and EOG Resources, Inc., Yates Petroleum Corporation hereby waives objection to EOG's unorthodox location and simultaneous dedication in Danube "14" Fed Com #2H well, located in the E/2 of Section 14, Township 17 South, Range 24 East, Eddy County, New Mexico.

If you have any questions, please give me a call at 505-748-4384.

Very truly yours,

YATES PETROLEUM CORPORATION

  
Randy G. Patterson  
Attorney-in-Fact

EOG RESOURCES, INC.


By:   
Its: Vice President  
Date: 1/12/06

EXHIBIT D