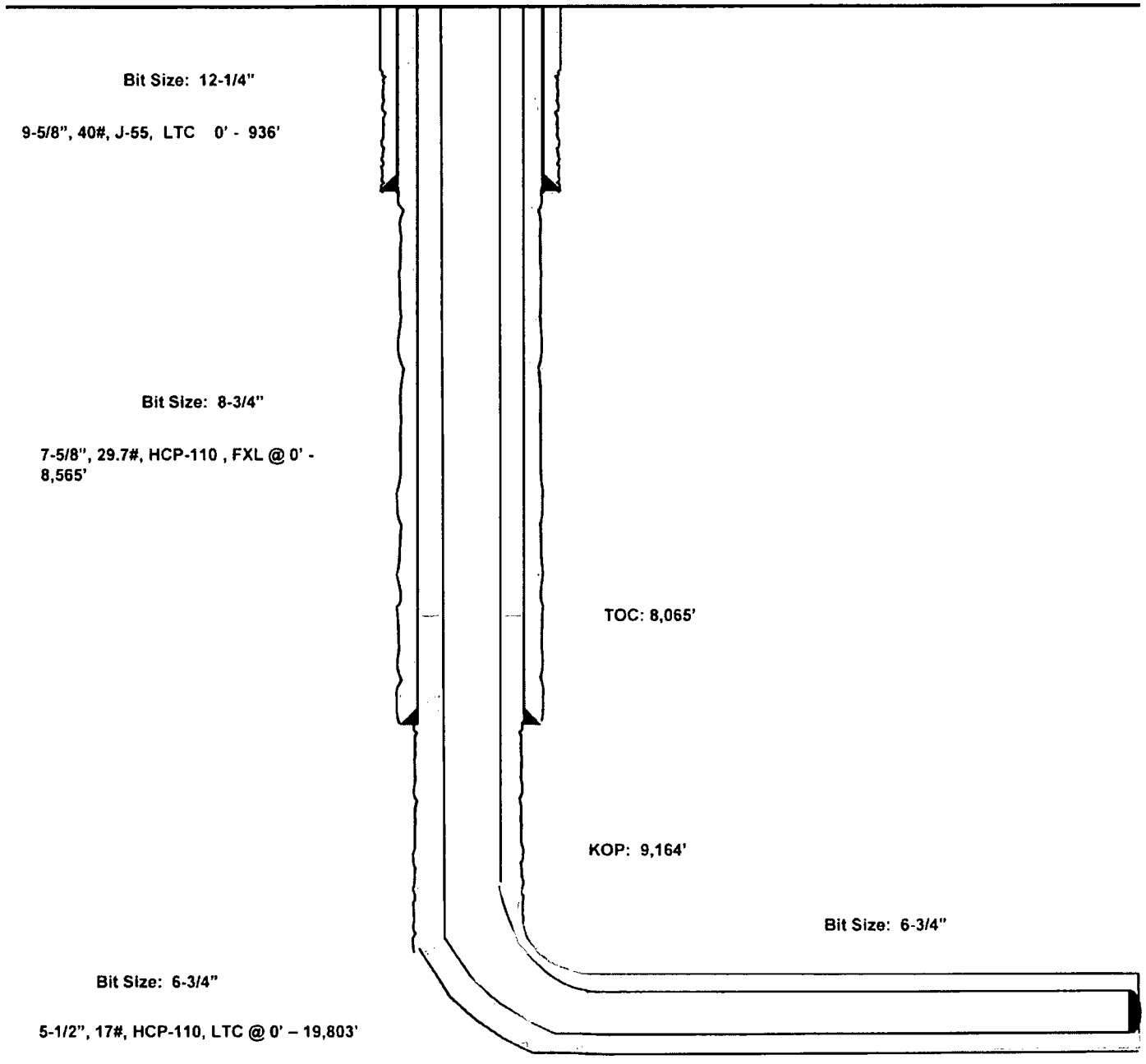
Golden Graham 1 State Com #701H
Eddy County, New Mexico

218' FSL
699' FWL
Section 1
T-26-S, R-28-E

Proposed Wellbore Design A

API: 30-025-*****

KB: 2,965'
GL: 2,940'



Lateral: 19,803' MD, 9,628' TVD

BH Location: 230' FNL & 330' FWL
Section 36
T-25-S, R-28-E

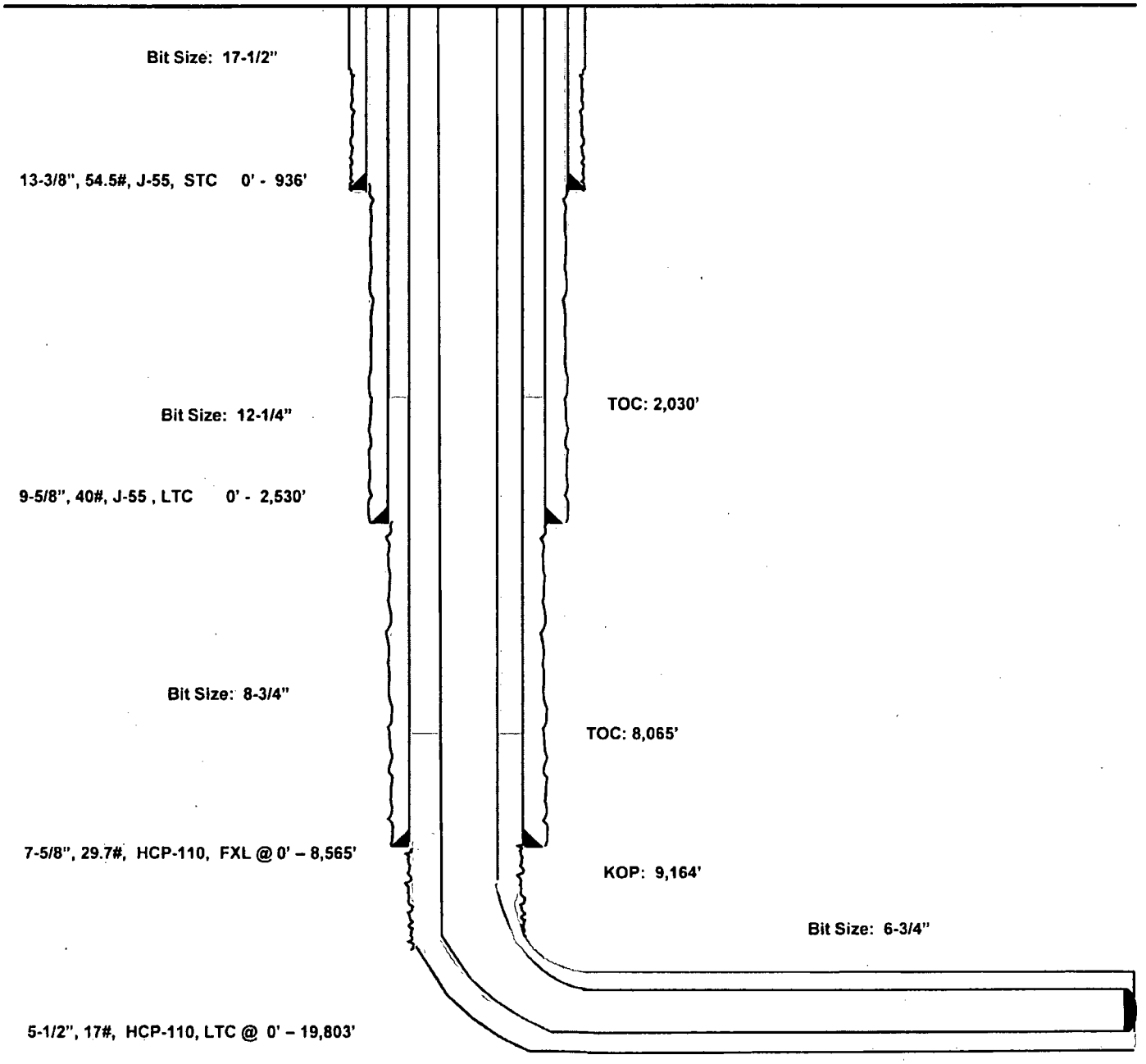
Golden Graham 1 State Com #701H
Eddy County, New Mexico

218' FSL
699' FWL
Section 1
T-26-S, R-28-E

Proposed Wellbore Design B

API: 30-025-*****

KB: 2,965'
GL: 2,940'



Lateral: 19,803' MD, 9,628' TVD

BH Location: 230' FNL & 330' FWL
Section 36
T-25-S, R-28-E

Permit Information:

Well Name: Golden Graham 1 State Com No. 701H

Location:

SHL: 218' FSL & 699' FWL, Section 1, T-26-S, R-28-E, Eddy Co., N.M.
BHL: 230' FNL & 330' FWL, Section 36, T-25-S, R-28-E, Eddy Co., N.M.

Design A

Casing Program:

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF_{min} Collapse	DF_{min} Burst	DF_{min} Tension
12.25"	0 – 936'	9.625"	40#	J-55	LTC	1.125	1.25	1.60
8.75"	0' – 8,565'	7.625"	29.7#	HCP-110	FXL	1.125	1.25	1.60
6.75"	0' – 19,803'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.60

Cement Program:

Depth	No. Sacks	Wt. ppg	Yld Ft^3/sk	Slurry Description
936'	400	13.5	1.73	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	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
8,565'	300	9.0	3.5	Class C + 5% Gypsum + 3% CaCl2 (TOC @ Surface)
	550	14.4	1.20	50:50 Class H:Poz + 0.25% CPT20A + 0.40% CPT49 + 0.20% CPT35 + 0.80% CPT16A + 0.25% CPT503P
19,803'	800	14.2	1.31	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 8,065)

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 936'	Fresh - Gel	8.6-8.8	28-34	N/c
936' – 8,565'	Brine	8.8-10.0	28-34	N/c
8,565' – 9,164'	Oil Base	10.0-11.5	58-68	3 - 6
9,164' – 19,803' Lateral	Oil Base	10.0-11.5	58-68	3 - 6

Design B

Casing Program:

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF_{min} Collapse	DF_{min} Burst	DF_{min} Tension
17.5"	0 – 936'	13.375"	54.5#	J-55	STC	1.125	1.25	1.60
12.25"	0-2,530'	9.625"	40#	J-55	LTC	1.125	1.25	1.60
8.75"	0 – 8,565'	7.625"	29.7#	HCP-110	FXL	1.125	1.25	1.60
6.75"	0'-19,803'	5.5"	17#	HCP-110	LTC	1.125	1.25	1.60

Cement Program:

Depth	No. Sacks	Wt. lb/gal	Yld Ft^3/sk	Slurry Description
936'	697	13.5	1.74	Lead: Class 'C' + 4.00% Bentonite + 2.00% CaCl2 (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)
2,530'	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
8,565'	375	10.8	3.67	Lead: Class C + 0.40% D013 + 0.20% D046 + 0.10% D065 + 0.20% D167 (TOC @ 2,030')
	400	14.8	2.38	Tail: Class H + 94.0 pps D909 + 0.25% D065 + 0.30% D167 + 0.02% D208 + 0.15% D800
19,803'	950	14.8	1.31	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 8,065')

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 936'	Fresh - Gel	8.6-8.8	28-34	N/c
936' – 2,530'	Brine	10.0-10.2	28-34	N/c
2,530'– 8,565'	Oil Base	8.7-9.4	58-68	N/c - 6
8,565'– 19,803' Lateral	Oil Base	10.0-11.5	58-68	3 - 6

EOG RESOURCES, INC.
GOLDEN GRAHAM 1 STATE COM #701H

Hydrogen Sulfide Plan Summary

A. All personnel shall receive proper H2S training in accordance with Onshore Order III.C.3.a.

B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.

C. Required Emergency Equipment:

- Well control equipment
  a. Flare line 150' from wellhead to be ignited by flare gun.
  b. Choke manifold with a remotely operated choke.
  c. Mud/gas separator

- Protective equipment for essential personnel.

  Breathing apparatus:
  a. Rescue Packs (SCBA) — 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
  b. Work/Escape packs —4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
  c. Emergency Escape Packs —4 packs shall be stored in the doghouse for emergency evacuation.

  Auxiliary Rescue Equipment:
  a. Stretcher
  b. Two OSHA full body harness
  c. 100 ft 5/8 inch OSHA approved rope
  d. 1-20# class ABC fire extinguisher

- H2S detection and monitoring equipment:
  The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.
  (Gas sample tubes will be stored in the safety trailer)

- Visual warning systems.
  a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
  b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
  c. Two wind socks will be placed in strategic locations, visible from all angles.

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- Mud program:
  The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

- Metallurgy:
  All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

- Communication:
  Communication will be via cell phones and land lines where available.

EOG RESOURCES, INC.
GOLDEN GRAHAM 1 STATE COM #701H

Emergency Assistance Telephone List

PUBLIC SAFETY:	**911 or**
Lea County Sheriff's Department	(575) 396-3611
Rod Coffman	
Fire Department:	
Carlsbad	(575) 885-3125
Artesia	(575) 746-5050
Hospitals:	
Carlsbad	(575) 887-4121
Artesia	(575) 748-3333
Hobbs	(575) 392-1979
Dept. of Public Safety/Carlsbad	(575) 748-9718
Highway Department	(575) 885-3281
New Mexico Oil Conservation	(575) 476-3440
U.S. Dept. of Labor	(575) 887-1174

EOG Resources, Inc.	
EOG / Midland	Office (432) 686-3600

Company Drilling Consultants:	
David Dominque	Cell (985) 518-5839
Mike Vann	Cell (817) 980-5507

Drilling Engineer	
Steve Munsell	Office (432) 686-3609
	Cell (432) 894-1256

Drilling Manager	
Aj Dach	(432) 686-3751
	(817) 480-1167

Drilling Superintendent	
Todd Hamilton	(432) 848-9029
	(210) 413-9569

H&P Drilling	
H&P Drilling	Office (432) 563-5757
H&P 651 Drilling Rig	Rig (903) 509-7131

Tool Pusher:	
Johnathan Craig	Cell (817) 760-6374
Brad Garrett	

Safety	
Brian Chandler (HSE Manager)	Office (432) 686-3695
	Cell (817) 239-0251