

DRILLING PROGRAM/ RE-ENTRY

EOG RESOURCES, INC.
WARP SPEED "7" FEDERAL COM #2
LEA COUNTY, NM
(Formerly Phillips Federal #4)

9 5/8" Intermediate: Circulated cement to surface w/9005 Sx.

CEMENTING PROGRAM: (Proposed)

3 1/2" Production Liner: 225 sx Premium 3% econolite, 5#/sx salt, 1/4#/sx celloflake
+ 300 sx Premium 50/50 Poz, 0.6% Halad 447

5. Re-ENTRY PROCEDURE:

The Warp Speed "7" Federal Com #2 well will be re-entered. The existing cement plugs will be drilled out to the original TD of 9097'. A string of 5 1/2" casing will be ran to 9097' and cemented. A 4 3/4" hole will be directionally drilled out below the 5 1/2" casing to the Bottom Hole location. A 3 1/2" production liner will be ran and cemented from TD of 10,650' to approximately 8800'.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (5000 psi WP) preventer and an annular preventer (5000 psi WP). Units will be hydraulically operated and the ram-type will be equipped with blind rams on top and drill pipe rams on bottom. All will be installed on the 9 5/8" casing and used continuously until TD is reached. Before drilling out of the 9 5/8" casing, the ram-type BOP and accessory equipment will be tested to 5000 psi and the annular to 70% of rated working pressure (3500 psi).

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 2" kill line and 4" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 5000 psi WP rating.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

The well will be drilled to TD with a polymer/KCL mud system. The applicable depths and properties of this system are as follows:

| <u>Depth</u> | <u>Type</u> | <u>Wt (ppg)</u> | <u>Viscosity (sec)</u> | <u>Waterloss (cc)</u> |
|--------------|-----------------|---------------------|----------------------------|---------------------------|
| 0-10,860' | Fresh water/gel | 8.33 | 28-40 | N.C. - 10 |