

Form 3160-3
(August 1999)

C/S F



1301 W. OGD Avenue
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM LC-063621
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA Agreement, Name and No. 29696
3a. Address P.O. Box 2267, Midland, TX 79702	3b. Phone No. (include area code) (915)686-3714	8. Lease Name and Well No. Oatmeal "B" Federal Com. No. 1
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 852' FSL & 2133' FEL At proposed prod. Zone same WID POTAS II		9. API Well No. 30-015-32272
14. Distance in miles and direction from nearest town or post office* 4 miles south from Loco Hills		10. Field and Pool, or Exploratory Sand Tank, Morrow
15. Distance from proposed* location to nearest property or lease line, ft. 682' (Also to nearest drlg. Unit line, if any)		11. Sec., T., R., M., or Blk. And Survey or Area Sec. 8 T-18-S R-30-E
16. No. of Acres in lease 960		12. County or Parish Eddy Co.
17. Spacing Unit dedicated to this well S/2 (320)		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed applied for, on this lease, ft. 2,100'		
19. Proposed Depth 11,800		
20. BLM/BIA Bond No. on file NM 2308		
21. Elevations (Show whether DF, KDB, RT, GL, etc) GL 3503		
22. Approximate date work will start* 3/21/2002		
23. Estimated duration 40 days		

24. Attachments

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

Captain Controlled Water Basin

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

25. Signature <i>Mike Francis</i>	Name (Printed/Typed) Mike Francis	Date 2/13/2002
Title Agent		
Approved by (Signature) /s/ RICHARD A. WHITLEY	Name (Printed/Typed) /s/ RICHARD A. WHITLEY	Date APR 12 2002
Title ASSOC. STATE DIRECTOR NM STATE OFFICE		

Application approval does not warrant or certify 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

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.

*(Instructions on reverse)

NSL-4720 (NSBHL)

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

MM 21

BUREAU OF LAND MGMT.
ROSWELL OFFICE

2002 FEB 15 AM 10:57

RECEIVED

OCD-ARTESIA

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

5 Lease Serial No.
LC-063621

6 If Indian, Allottee or Tribe Name

7 If Unit or CAI Agreement, Name and/or No.

8 Well Name and No.
Oatmeal "8" Fed Com No 1

9 API Well No.

10 Field and Pool, or Exploratory
Sand Tank Morrow

11 County or Parish, State
Eddy

1. Type of well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
EGG Resources, Inc.3a. Address
P.O. Box 2267, Midland, TX 797023b. Phone No. (include area code)
(915)686-37144. Location of Well (Footage, Sec., T., R., M., or Survey Description)
S/L 882' FSL & 2133' FEL Sec 8, T-18-S, R-30-E
BHL 682' FSL & 2133' FEL Sec 8, T-18-S, R-30-E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal

☐ Water Shut-Off
☐ Well Integrity
☒ Other

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Amended Permit to show directional well. Surface location and bottom hole location as staked in Paragraph 4. Amend permit to show E/2 proration unit.

SUBJECT TO LIKE APPROVAL BY STATE

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Signature

Title Agent

Date 3/22/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ASSOC. STATE DIRECTOR

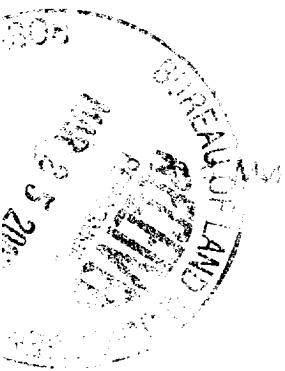
Date APR 12 20

Approved by /S/ RICHARD A. WHITLEY
Conditions of approval, if any, are attached. Approval of this notice 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 thereon.

Office

NM STATE OFFICE

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District I
Box 1980, Hobbs, NM 88241-1980

District II
Box 1980, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994

Instructions on back
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	
				Sand Tank Morrow	
Property Code		Property Name			Well Number
		OATMEAL "8" FEDERAL COM			1
GRID No.		Operator Name			Elevation
7377		EOG RESOURCES INC.			3509

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
0	8	18-S	30-E		882	SOUTH	2133	EAST	EDDY

¹¹ 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
0	8	18-S	30-E		682	SOUTH	2133	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
329			

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

16				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mike Francis</i></p> <p>Signature</p> <p>Mike Francis</p> <p>Printed Name</p> <p>Agent</p> <p>Title</p> <p>3/22/02</p> <p>Date</p>
				<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 best of my belief.</p> <p>MARCH 04, 2002</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p><i>James E. Thompson</i></p> <p>Certificate Number 14729</p>

EOG RESOURCES INC.
OATMEAL "8" FEDERAL COM No. 1
ELEV.=3509'
Y=639283.999
X=604942.927
LAT.=32°45'25.27"
LONG.=103°59'31.09"

DRILLING DIRECTION
S 00°12'05" E
200'

EOG RESOURCES INC.
OATMEAL "8" FEDERAL COM No. 1
BOTTOM HOLE LOCATION
Y=639084.0
X=604942.9
LAT.=32°45'23.29"
LONG.=103°59'31.09"

882'

2133'

2133'



OCD-ARTESIA

Form 3160-5
(August 1999)
(1 original, 5 copies)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

FORM APPROVED
OMB NO. 1004-0135

Expires: November 30, 2000

5	Lease Serial No. LC-063621
6	If Indian, Allottee or Tribe Name
7	If Unit or CA/Agreement, Name and/or No.
8	Well Name and No. Oatmeal "8" Fed Com No 1
9	API Well No.
10	Field and Pool, or Exploratory Sand Tank Morrow
11	County or Parish, State Eddy

1. Type of well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EOG Resources, Inc.

3a. Address

P.O. Box 2267, Midland, TX 79702

3b. Phone No. (include area code)

(915)686-3714

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

882' FSL & 2133' FEL Sec 8, T-18-S, R-30-E

INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other change location & rig orientation
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

BLM - Carlsbad has requested EOG change its surface location for the Oatmeal "8" Federal Com No 1 Well because of topographical concerns. Attached hereto are plats reflecting this change

EOG will also change its rig orientation to V-Door East. Attached hereto is plat for same

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mike Francis

Title Agent Agent

Signature

Mike Francis

Date 3/11/02

FEDERAL OR STATE OFFICE USE

Approved by /S/ RICHARD A. WHITLEY

ASSOC. STATE DIRECTOR

Title Date APR 12 2002

Conditions of approval, if any, are attached. Approval of this notice 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 thereon.

Office

NM STATE OFFICE

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RECEIVED
2002 MAR 14 PM 9:25
FBI/DOJ
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

2002 MAR 14 PM 9:25

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-10:
Revised February 21, 199.

Instructions on back
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	
				Sand Tank Morrow	
Property Code		Property Name			Well Number
		OATMEAL "8" FEDERAL COM			1
OGRID No.		Operator Name			Elevation
7377		EOG RESOURCES INC.			3509

¹⁰ Surface Location


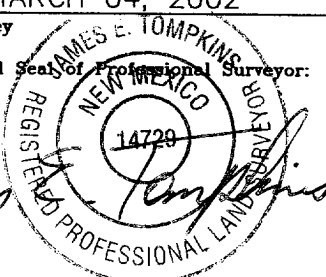
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	8	18-S	30-E		882	SOUTH	2133	EAST	EDDY

¹¹ 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

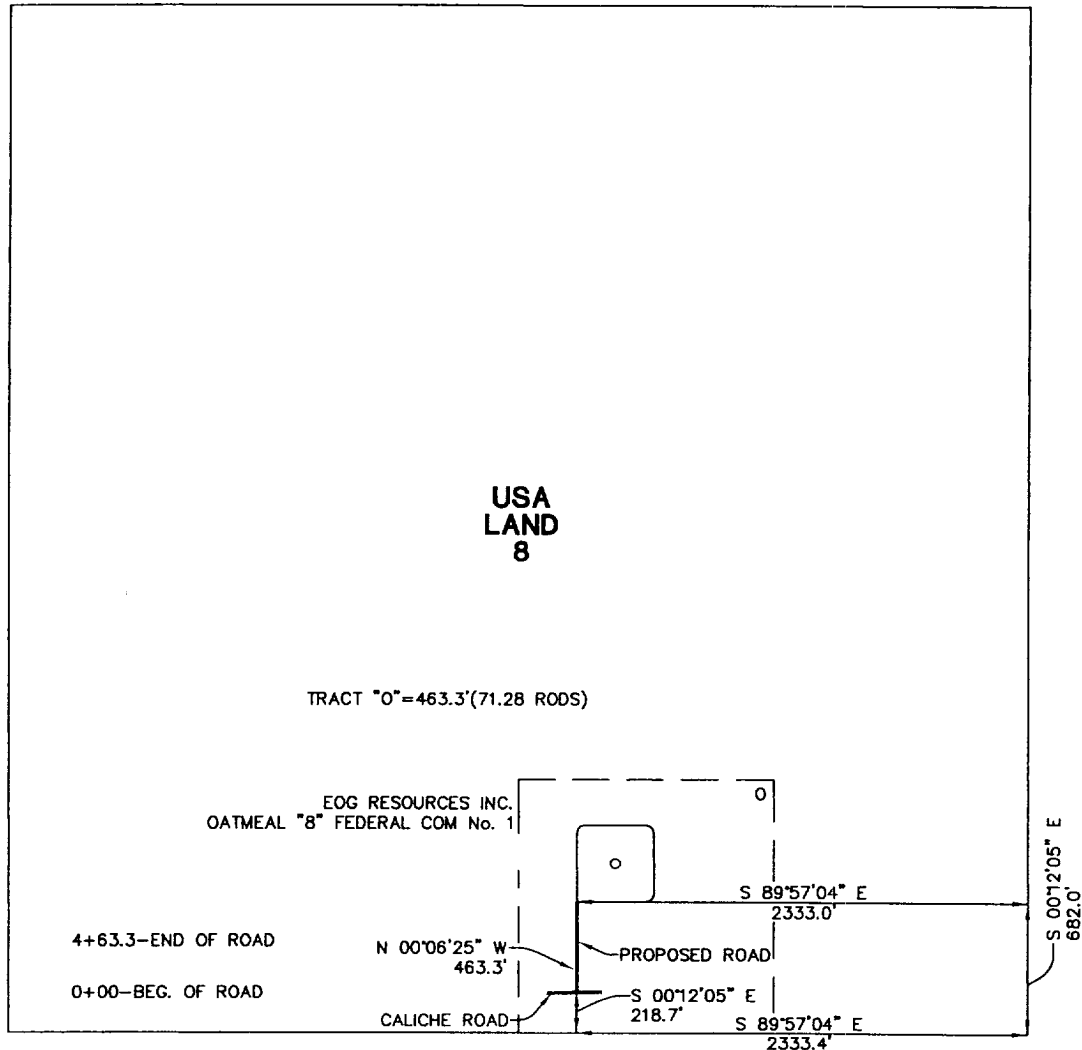
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

¹⁶				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Printed Name Mike Francis - Agent Title 3/12/02 Date
				¹⁸ SURVEYOR CERTIFICATION <i>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 best of my belief.</i> MARCH 04, 2002 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number 14729
	EOG RESOURCES INC. OATMEAL "8" FEDERAL COM No. 1 ELEV.=3509' Y=639283.999 X=604942.927 LAT.=32°45'25.27" LONG.=103°59'31.09"			

RECEIVED
JAN 11 11 35
BUREAU OF LAND MANAGEMENT
MOUNTAIN VIEW

SECTION 8 TOWNSHIP 18 SOUTH, RANGE 30 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in an existing road, from which point the southeast corner of Section 8, T-18-S, R-30-E, N.M.P.M., Eddy County, New Mexico, bears S 00° 12' 05" E, 218.7 feet and S 89° 57' 04" E, 2333.4 feet;

THENCE N 00° 06' 25" W, with the centerline of proposed road, 463.3 feet to a point in the southwest corner of a well pad for EOG Resources, Inc. OATMEAL "8" FEDERAL COM No. 1, for the end of this road, from which point the southeast corner of said Section 8 bears S 89° 57' 04" E, 2333.0 feet and S 00° 12' 05" E, 682.0 feet.

PROPOSED ROAD TO SERVE
OATMEAL "8" FEDERAL COM No. 1

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.

EOG RESOURCES INC.

463.3 feet of proposed road in
Section 8, T-18-S, R-30-E, N.M.P.M.,
Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 3-4-02

Date: 3-4-02

Scale: 1" = 1000'

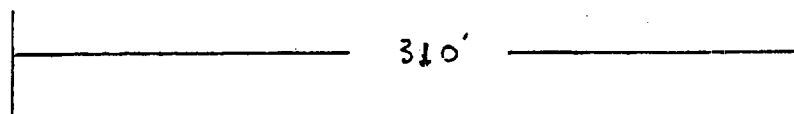
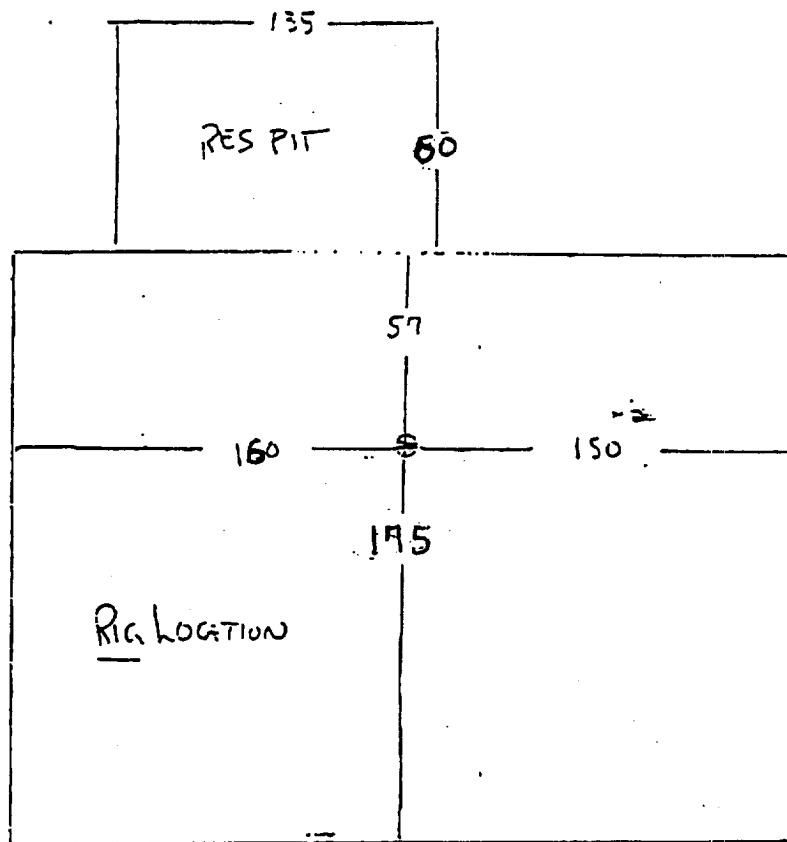
WTC No.: 46501

Drawn By: JWD

Sheet 1 of 1

JAMES E. TOMPKINS
Registered Professional Surveyor
New Mexico Certificate No. 14729





District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
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	
				Sand Tank Morrow	
Property Code		Property Name			Well Number
		OATMEAL "8" FEDERAL COM			1
OGRID No.		Operator Name			Elevation
7377		EOG RESOURCES INC.			3503

¹⁰ Surface Location

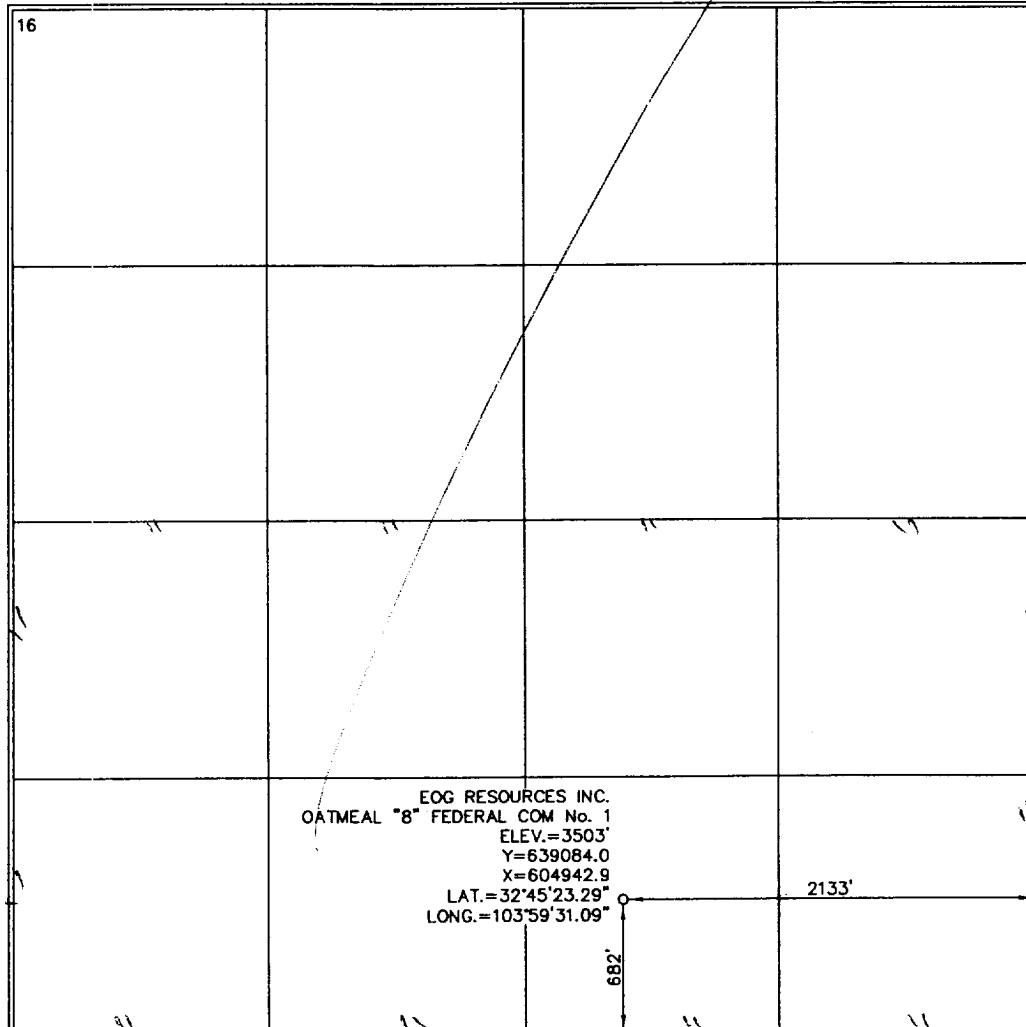
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	8	18-S	30-E		682	SOUTH	2133	EAST	EDDY

¹¹ 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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div>16</div> 	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mike Francis</i> Signature Mike Francis Printed Name Agent Title 2/13/02 Date</p>	
	<div>18 SURVEYOR CERTIFICATION</div> <p>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 best of my belief.</p> <p>JANUARY 18, 2002 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: <i>James P. Hopkins</i> Certificate Number 14729</p>	

DRILLING PROGRAM
EOG RESOURCES, INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co. NM

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Yates	1700'
Queen	2350'
San Andres	3250'
Bone Springs	4300'
Wolfcamp	8800'
Strawn	10350'
Atoka	10725'
Morrow	11200'

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

Upper Permian Sands	Above 250'	Fresh Water
Strawn	10350'	Oil
Atoka	10725'	Gas
Morrow	11200'	Gas

4. CASING PROGRAM

<u>Hole Size</u>	<u>Interval</u>	<u>OD Casing</u>	<u>Weight Grade Jt. Cond. Type</u>
14 3/4"	0-450'	11 3/4"	42# H-40 ST&C
11"	0-4350'	8 5/8"	32# J-55 LT&C
7 7/8"	0-11800'	5 1/2"	17#S95/P110 LTC

Cementing Program:

11 3/4" Surface Casing: Cement to surface with 200 sx Prem Plus, 3% Econolite, 25 Calcium Chloride, 0.25#/sx Flocele, 150 sx Prem Plus, 2% Calcium Chloride

8 5/8" Intermediate: Cement to surface with 800 sx Interfill C, .25#/sx flocele, 250 sx Premium Plus, 2% Calcium Chloride

5 1/2" Production: Cement w/930 sx Premium, 3% Econolite, 5#/sx Salt (3%), 0.2% HR5, .25#/sk Flocele, 250 sx Prem 50/50 Poz mix 'A', 2% Halliburton-Gel First 2%, 0.5% Halad-322. This is designed to bring TOC to 4500'.

DRILLING PROGRAM
EOG RESOURCES,INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co.NM

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

(SEE EXHIBIT #1)

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 BOP's and accessory equipment will be tested in accordance with Onshore Oil & Gas order No. 2. EOG request authorization to use a 2M system, providing for an annular preventer to be used prior to drilling the surface casing shoe before drilling out of surface casing. Before drilling out of 1st intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/1000 psi and the annular to 3500/5000-psi pressure.

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.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

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

<u>Depth</u>	<u>Type</u>	<u>Wt Viscosity</u> <u>(PPG)</u>	<u>Waterloss</u> <u>(sec)</u>	<u>(cc)</u>
0-450'	Fresh Water (Spud Mud)	8.5	40-45	N.C.
450'-4350'	Brine Water	10.0	30	N.C.
4350'- TD	Cut Brine + Polymer/KCL	8.8 - 9.2	32	10

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) A mud logging unit complete with H2S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 5000' to TD.

DRILLING PROGRAM
EOG RESOURCES, INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co. NM

8. LOGGING, TESTING AND CORING PROGRAM:

Electric logging will consist of GR-Dual Induction Focused and GR-Compensated Density-Neutron from TD to intermediate casing with a GR-Compensated Neutron run from intermediate casing to surface and optional Sonic from TD to Intermediate casing.

Possible sidewall cores based on shows.

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

The estimated bottom hole temperature (BHT) at TD is 175 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 5000 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 30-60 days will be required for completion and testing before a decision is made to install permanent facilities.

**DRILLING PROGRAM
EOG RESOURCES, INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co. NM**

SURFACE USE AND OPERATIONS PLAN

1. EXISTING ROADS:

Access to location will be made as shown on Exhibit #2

Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. PROPOSED ACCESS ROAD:

263.3' of new road is required. Exhibit #2A.

No turnouts necessary.

No culverts, cattleguards, gates, low-water crossings are necessary.

Surfacing material consists of native caliche to be obtained from the nearest BLM-approved caliche pit. Any additional materials required will be purchased from the dirt contractor.

3. LOCATION OF EXISTING WELLS:

Exhibit #3 shows all existing wells within a one-mile radius of this well.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

There are no existing production facilities. If production is encountered, a temporary facility will be established on the drill pad, and if warranted, a production facility would be built at a later date in the immediate area of the drill pad location. If the well is productive, the flowline would also be located on the drill-pad site and no additional disturbance will occur.

5. LOCATION AND TYPE OF WATER SUPPLY:

Fresh water and brine water for drilling will come from commercial sources and transported to the well site over the roads as shown on Exhibit #2.

6. PLANS FOR RESTORATION OF THE SURFACE:

DRILLING PROGRAM
EOG RESOURCES, INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co. NM

After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Location will be cleaned of all trash and junk to leave the well in an aesthetically pleasing condition as possible.

Any unguarded pits containing fluid will be fenced until they are dry and back filled.

After abandonment of the well, surface restoration will be in accordance with current federal laws and regulations. Location will be cleaned, and the wellpad removed to promote vegetation and disposal of human waste will be complied with. Trash, waste paper, garbage and junk will be hauled to an approved disposal site in an enclosed trash trailer.

All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

ANCILLARY FACILITIES:

No airstrip, campsite, or other facilities will be built.

WELL SITE LAYOUT:

Exhibit #4 shows the relative location and dimensions of the well pad.

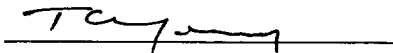
**DRILLING PROGRAM
EOG RESOURCES, INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co. NM**


OTHER INFORMATION:

The area around the well site is grassland and the topsoil is duned and sandy. The vegetation is native scrub grasses with abundant oakbrush, sagebrush, yucca, and prickly pear.

CERTIFICATION:

I HEREBY CERTIFY that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.



Tom Young
Division Drilling Manager 

Date: 2/12/02

DRILLING PROGRAM
EOG RESOURCES,INC.
Oatmeal "8" Federal Com. No. 1 Well
Sec. 8 T-18-S; R-30-E, Eddy, Co.NM

ATTACHMENT TO EXHIBIT #1

1. Wear ring to be properly installed in head.
2. Blow out preventer and all fittings must be in good condition, 5000 psi W.P. minimum. Exhibit #1.
3. All fittings to be flanged
4. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 5000 psi W.P. minimum.
5. All choke and fill lines to be securely anchored especially ends of choke lines.
6. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
7. Kelly cock on kelly.
8. Extension wrenches and hand wheels to be properly installed.
9. Blow out preventer control to be located as close to driller's position as feasible.
10. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.

EOG Resources, Inc.

Oatmeal "8" Fed Com. No.1

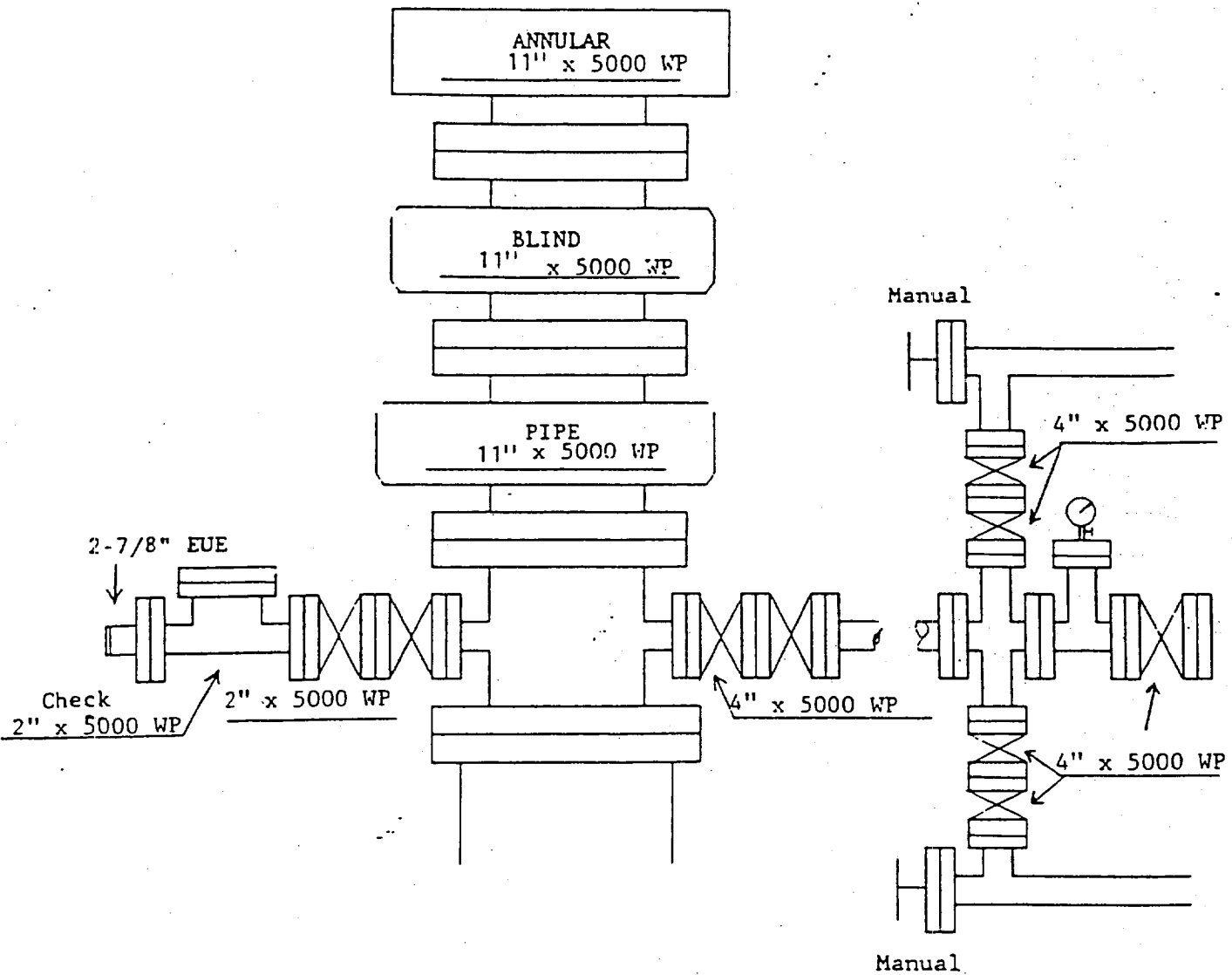
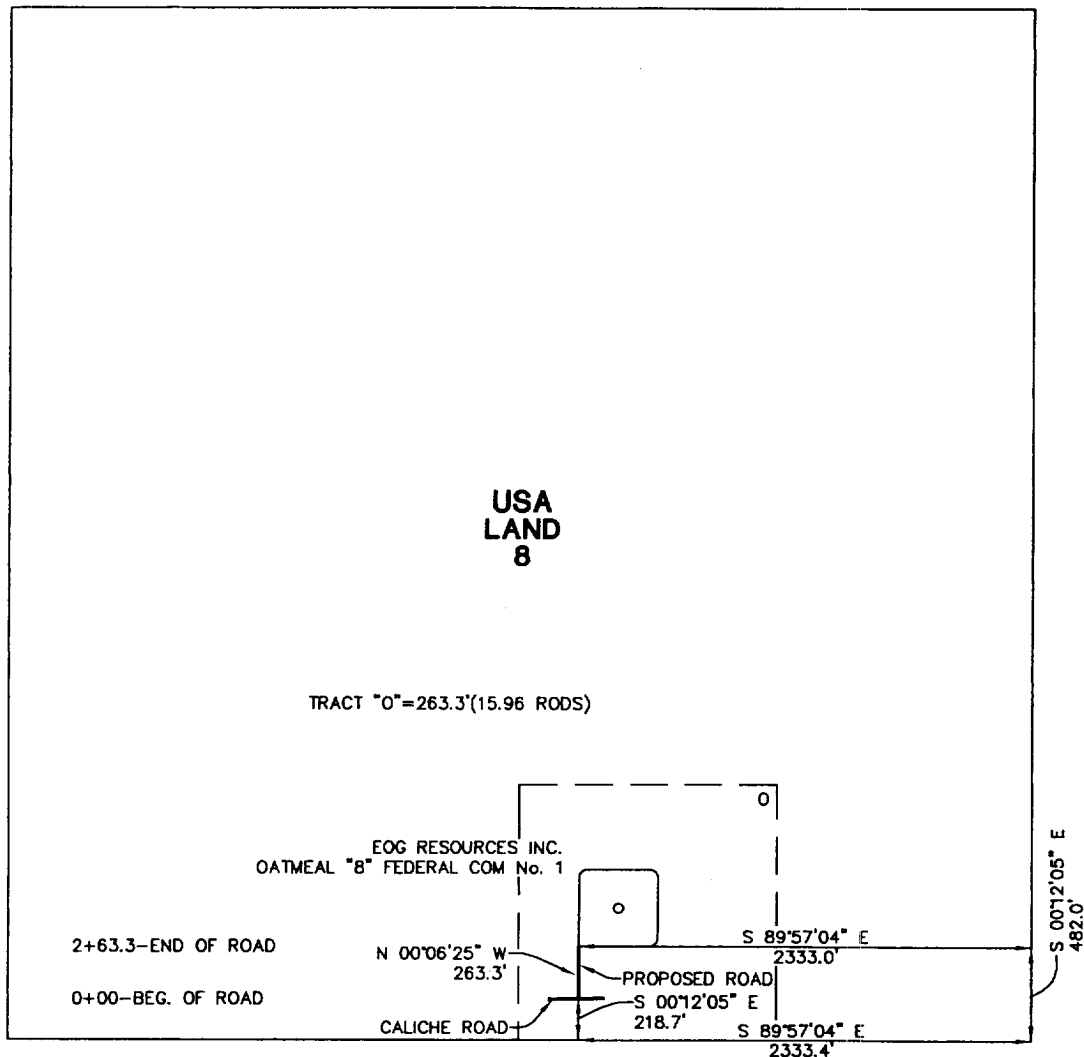


Exhibit 1

[illegible]

915-685-3800

SECTION 8, TOWNSHIP 18 SOUTH, RANGE 30 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in an existing road, from which point the southeast corner of Section 8, T-18-S, R-30-E, N.M.P.M., Eddy County, New Mexico, bears S 00° 12' 05" E, 218.7 feet and S 89° 57' 04" E, 2333.4 feet;

THENCE N 00° 06' 25" W, with the centerline of proposed road, 263.3 feet to a point in the southwest corner of a well pad for EOG Resources, Inc. OATMEAL "8" FEDERAL COM No. 1, for the end of this road, from which point the southeast corner of said Section 8 bears S 89° 57' 04" E, 2333.0 feet and S 00° 12' 05" E, 482.0 feet.

Exhibit 2A

PROPOSED ROAD TO SERVE
OATMEAL "8" FEDERAL COM No. 1

I hereby certify that this plat was prepared from an actual survey made on the ground and meets or exceeds all requirements for land surveys as specified by the state of New Mexico.



JAMES E. TOMPKINS
Registered Professional Surveyor
New Mexico Certificate No. 14729

EOG RESOURCES INC.

263.3 feet of proposed road in
Section 8, T-18-S, R-30-E, N.M.P.M.,
Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 1-18-02

Date: 1-21-02

Scale: 1" = 1000'

WTC No.: 46464

Drawn By: JWD

Sheet 1 of 1

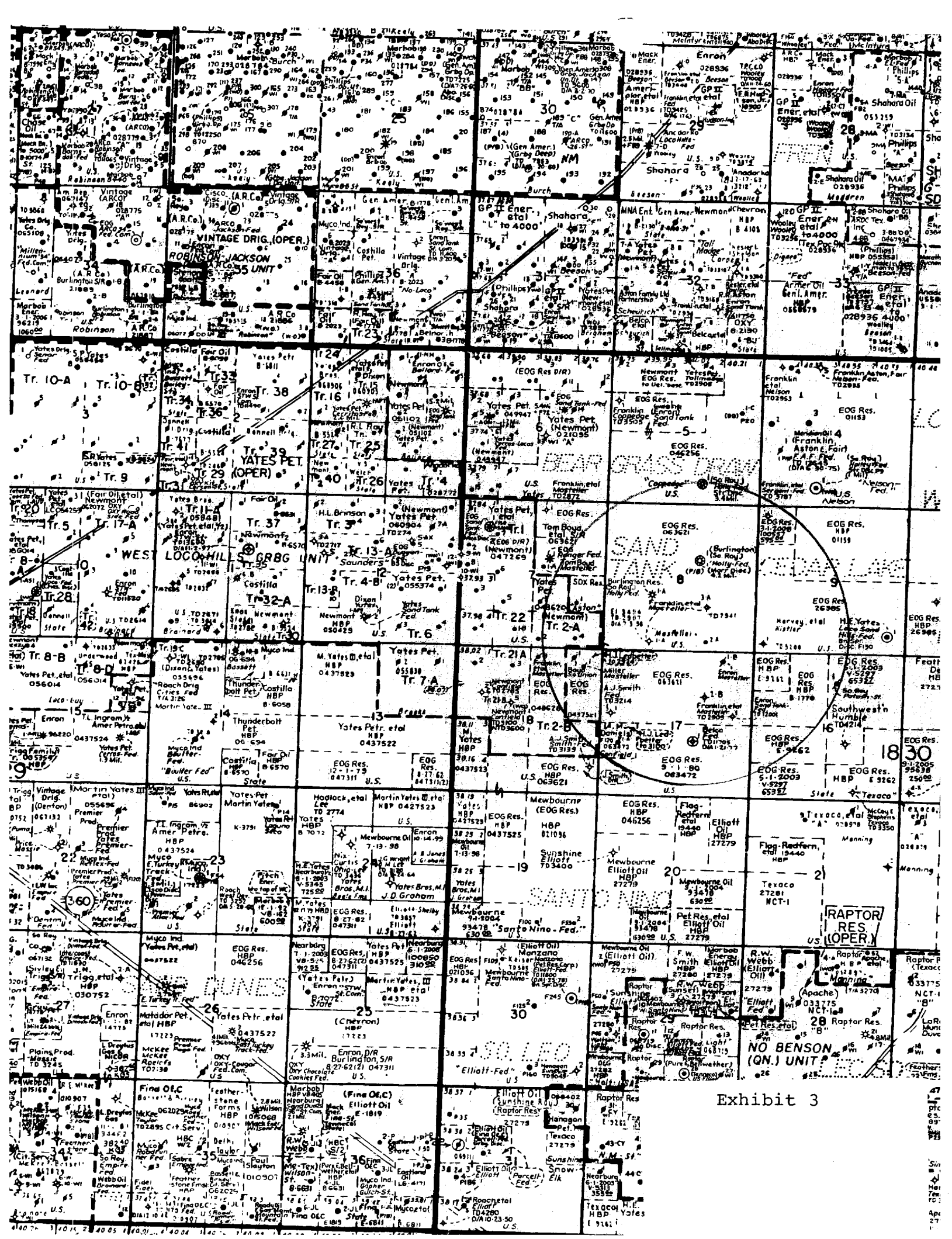
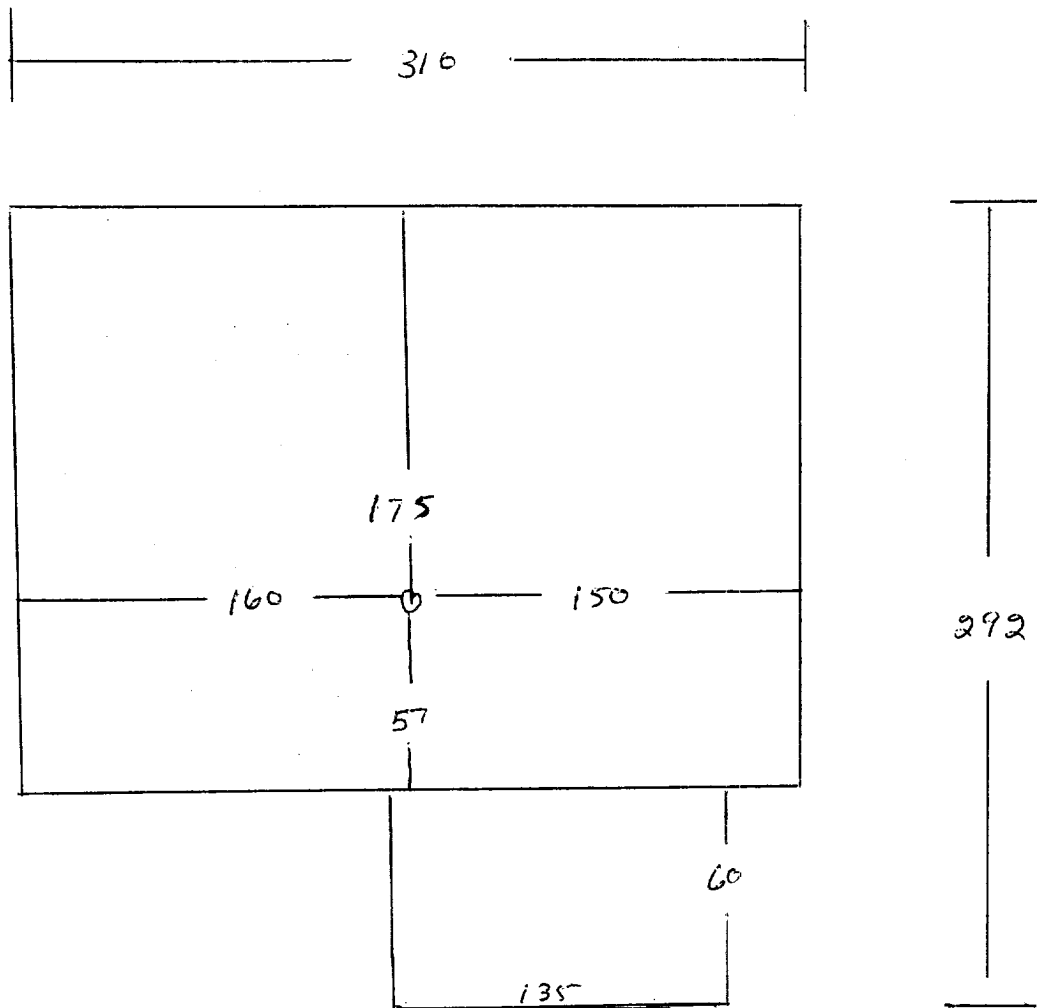
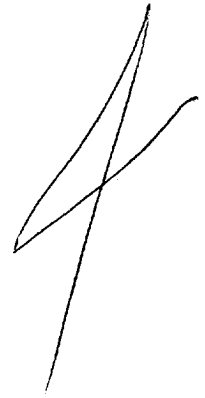


Exhibit 3

Exhibit 4
Rig Orientation



Statement Accepting Responsibility For Operations

Operator Name: EOG Resources, Inc.
Street or Box: P.O. Box 2267
City, State: Midland, TX
Zip Code: 79702

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: NM LC 063621

Legal Description of Land: Sec. 8 T-18-S; R-30-E, NMPM
EddyCo., NM

Formation(s) (if applicable):

Bond Coverage: *(State if individually bonded or another's bond)* Individually

BLM Bond File No.: NM2308 with endorsement to State of NM

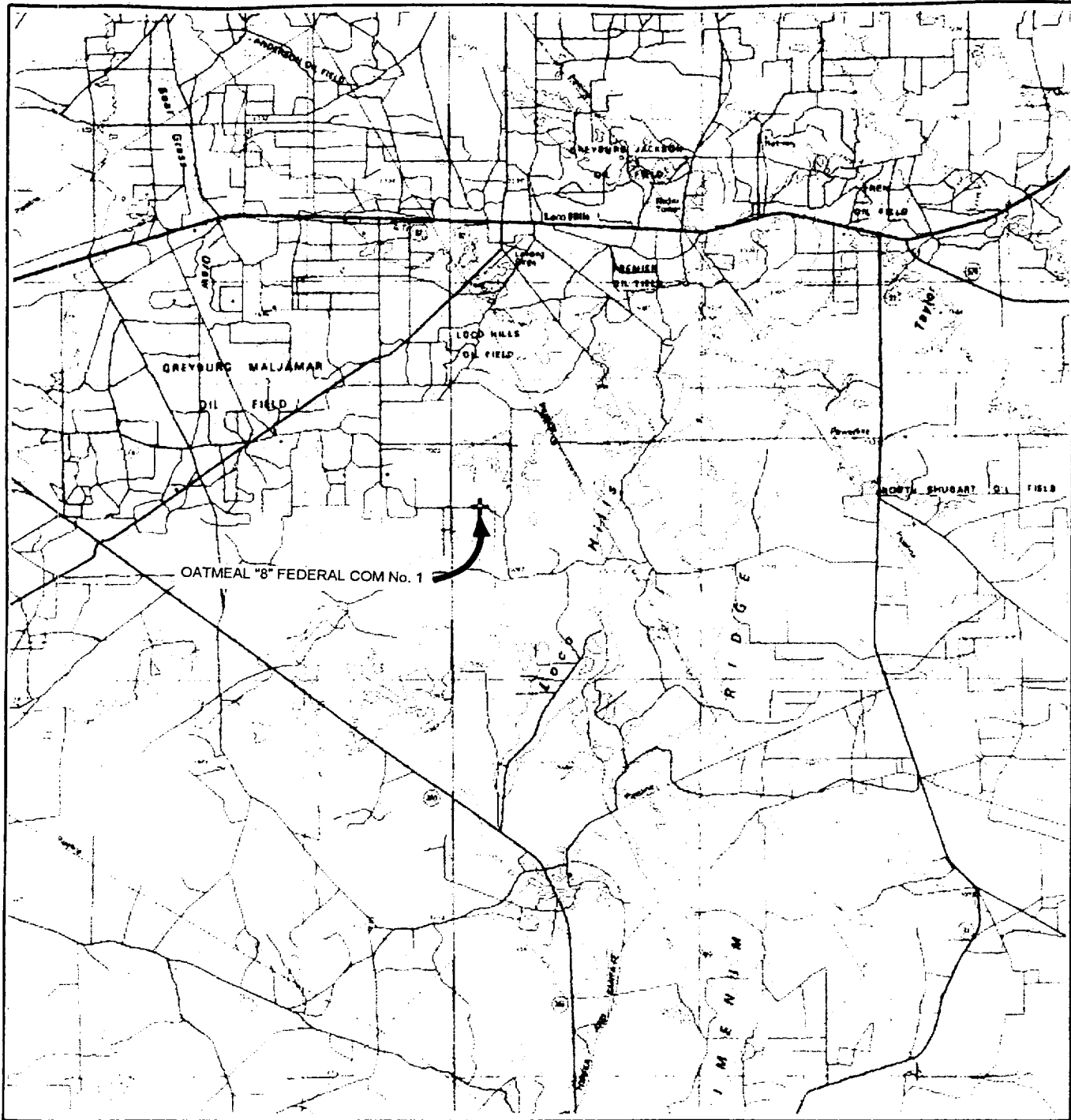
Authorized Signature:


Mike Francis

Title: Agent

Date 2/13/02_

VICINITY MAP



SCALE: 1" = 3 MILES

WTC 46464

SEC. 8 TWP. 18-S RGE. 30-E

SURVEY N.M.P.M.

COUNTY EDDY STATE NM

DESCRIPTION 682' FSL & 2133' FEL

ELEVATION 3503'

OPERATOR EOG RESOURCES, INC.

LEASE OATMEAL *8* FEDERAL COM No. 1

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800