

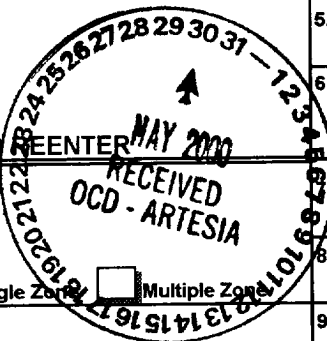
C/SF

Form 3160-3
(August 1999)

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: ☒ DRILL

☐ REENTER

5. Lease Serial No.

NM-0438001

6. If Indian, Allottee or Tribe Name

If Unit or CA Agreement, Name and No.

25862

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

8. Lease Name and Well No.

Phantom Draw Federal Unit No. 4

2. Name of Operator

EOG Resources, Inc.

7877

9. API Well No.

30-015-31169

3a. Address

P.O. Box 2267, Midland, TX 79702

3b. Phone No. (include area code)

(915)686-3714

10. Field and Pool, or Exploratory

Ross Draw (Wolfcamp)

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface 900' FNL & 900' FEL (Unit Letter G)

At proposed prod. Zone same as surface

11. Sec., T., R., M., or Blk. And Survey or Area

Sec 30, T26S, R31E

14. Distance in miles and direction from nearest town or post office*

18 miles SE from Malaga

12. County or Parish

Eddy

13. State

NM

15. Distance from proposed* location to nearest property or lease line, ft.

900

(Also to nearest drlg. Unit line, if any)

same

16. No. of Acres in lease

160

17. Spacing Unit dedicated to this well

N/2 320

18. Distance from proposed location* to nearest well, drilling, completed applied for, on this lease, ft.

N/A

19. Proposed Depth

13,200'

20. BLM/BIA Bond No. on file

MT-0748

21. Elevations (Show whether DF, KDB, RT, GL, etc)

GL-3196

22. Approximate date work will start*

6/1/2000

23. Estimated duration

30 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:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office)

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Mike Francis

Name (Printed/Typed)

Mike Francis

Date

4/14/00

Title

Agent

Approved by (Signature)

(Signature)

Name (Printed/Typed)

Date

MAY 26 2000

Title

Acting

Assistant Field Manager,
Lands And Minerals

Office

ROSWELL FIELD OFFICE

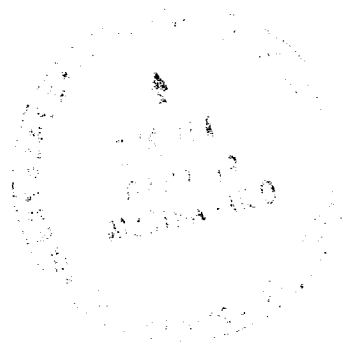
APPROVED FOR 1 YEAR

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)



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

1 API Number		2 Pool Code		3 Pool Name Ross Draw (Wolfcamp)		
4 Property Code		5 Property Name PHANTOM DRAW FEDERAL UNIT			6 Well Number 4	
7 OGRID No. 7377		8 Operator Name EOG RESOURCES INC.			9 Elevation 3196	

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
A	30	26-S	31-E		900	NORTH	900	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
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12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

<div>16</div> <p>EOG RESOURCES INC. PHANTOM DRAW FEDERAL UNIT No. 4 ELEV. = 3196' Y = 370721.57 X = 661779.73 LAT. = 32°01'05.35" LONG. = 103°48'40.88"</p>	<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> Signature Mike Francis Printed Name Agent Title 4/14/00 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>MARCH 18, 2000 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number 14729</p>

RECEIVED

APR 18 2000

BLM
ROSVELL, NM

DRILLING PROGRAM

EOG RESOURCES, INC.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Delaware	3330'
Cherry Canyon	4350'
Bone Spring	7200'
2 nd Bone Spring Sd	8800'
3 rd Bone Spring Sd	10000'
Wolfcamp	10420'
Wolfcamp Pay	11740' -
Penn Marker	12800'

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

Upper Permian Sands	100'	Fresh Water
Upper Penn		Gas

4. CASING PROGRAM

See Drilling Steps

Hole Size	Interval	OD Casing	Weight Grade Jt.	Cond. Type
14 3/4	0- 400 1250'	11 3/4"	42# H-40	ST&C WITNESS
11"	0-4000'	8 5/8"	32# J-55	LT&C
7 7/8"	0-11950'	5 1/2"	17# 40 P110	L&TC
4 3/4"	0-13000'	2 7/8"	6.5#	N80

PWC

Cementing Program:

11 3/4" Surface Casing:

Cement to surface with 220 sx Prem Plus, 3% Econolite, 2% Calcium Chloride, 0.25#/sx Flocele, 150 sx Prem Plus, 2% Calcium Chloride

8 5/8" Intermediate:

Cement to surface with 715 sx Interfill C, .25#/sx flocele, 250 sx Premium Plus, 2% Calcium Chloride

5 1/2" Production Casing:

Cement w/775 sx Premium, 3% Econolite, 5#/sx Salt, .25#/sx Flocele, 250 sx Prem 50/50 Poz mix 'A', 2% Halliburton-Gel First 2%, 0.5% Halad-322, 0.2% HR-5. This is designed to bring TOC to 3500'.

2 7/8" Casing:

100 sx Prem, 0.3% Halad-344, 0.3% Halad-413, 0.3% Super CBL, .15% SCR-100
This designed to bring TOC to 11500 +/-.

DRILLING PROGRAM

**EOG RESOURCES, INC.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM**

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

(SEE EXHIBIT #1 and #2)

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 to 600 psi before drilling out of surface casing. Before drilling out of intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/1000 psi and the annular to 3500/5000-psi pressure. The blowout preventer equipment (BOP) shown in Exhibit 2 will consist of a double ram-type (10,000 psi) preventer and an annular preventer (10,000 psi) from 11,700' to TD. Before drilling below 2nd Intermediate ram type BOP and accessory equipment will be tested to 10,000/1,000 psi and the annulus to 5000/1000. This equipment will be used from $\pm 11,950'$ to TD.

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 (PPG)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>
0-400'	Fresh Water (spud)	8.5	40-45	N.C.
1000'-4000'	Brine Water	10.0	30	N.C.
4000'-11700'	Fresh Water	8.4	28	N.C.
11700'-12500'	Brine & Polymer xcd	10-14.0	28/45	0/<1 CC

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 2000' to TD.

DRILLING PROGRAM

**EOG RESOURCES, INC.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM**

8. LOGGING, TESTING AND CORING PROGRAM:

(A) The electric logging program 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.

(B) 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 8000 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.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM

SURFACE USE AND OPERATIONS PLAN

1. EXISTING ROADS:

Access to location will be made as shown on Exhibit #3

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:

2,195.8' of new road is required. Exhibit 3A(1), (2), (3)

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 #4 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:

Water for drilling will be purchased from commercial sources and transported to the well site over the roads as shown on Exhibit #3.

DRILLING PROGRAM

**EOG RESOURCES, INC.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM**

6. PLANS FOR RESTORATION OF THE SURFACE:

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 #5 shows the relative location and dimensions of the well pad.

DRILLING PROGRAM

**EOG RESOURCES, INC.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM**

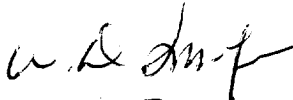
OTHER INFORMATION:

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.

W. D. Smeltzer
Drilling Manager


Date: 4-17-00

DRILLING PROGRAM

**EOG RESOURCES, INC.
PHANTOM DRAW FEDERAL UNIT NO. 4
900' FNL & 900' FEL
SEC. 30, T26S, R31E
EDDY COUNTY, NM**

ATTACHMENT TO EXHIBIT #1 & #2

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 and 10,000 psi W.P. minimum, Exhibit #2.
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.

Phantom Draw Federal Unit Well No. 4

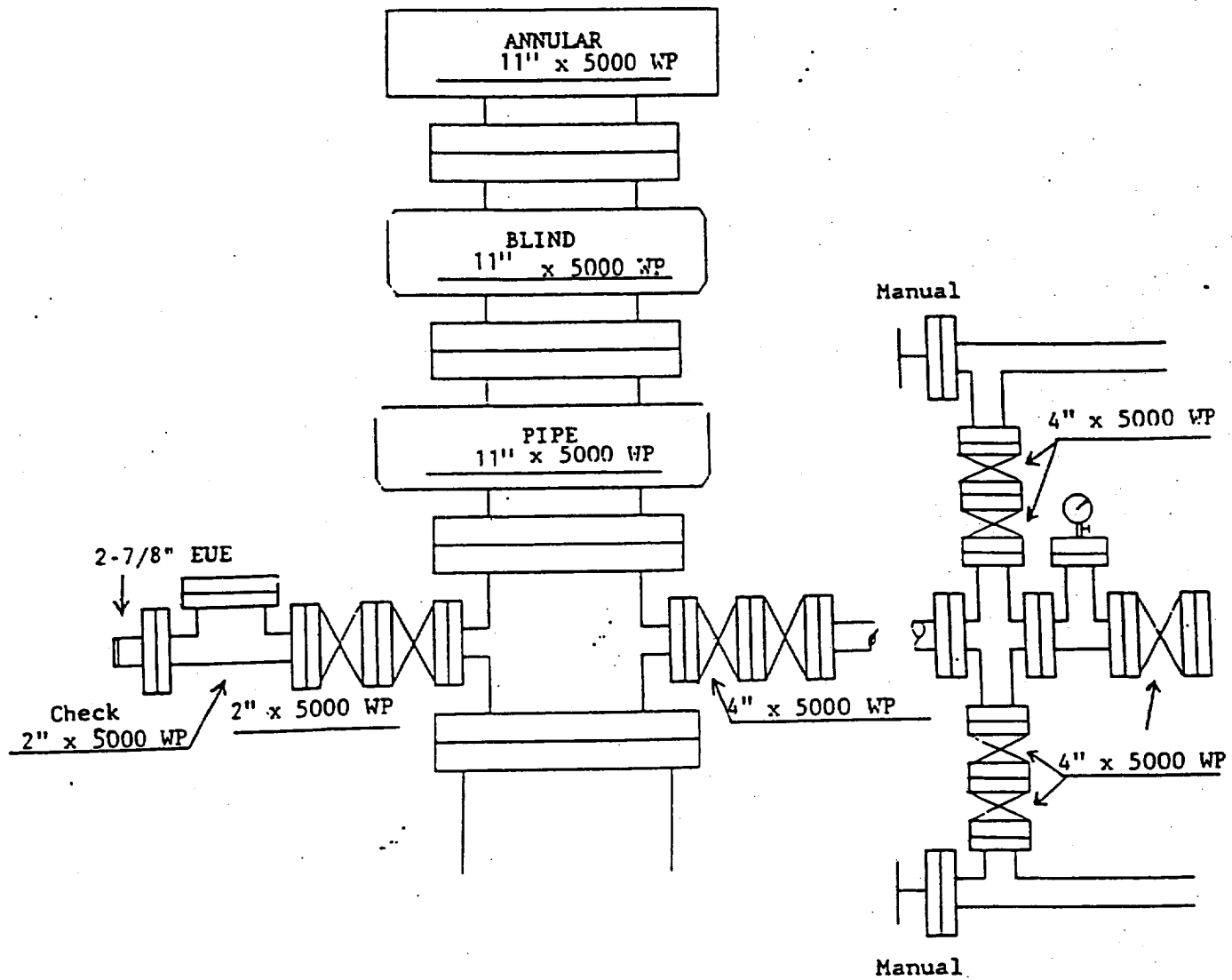


Exhibit 1

EOG Resources, Inc.

Phantom Draw Federal Unit Well No. 4

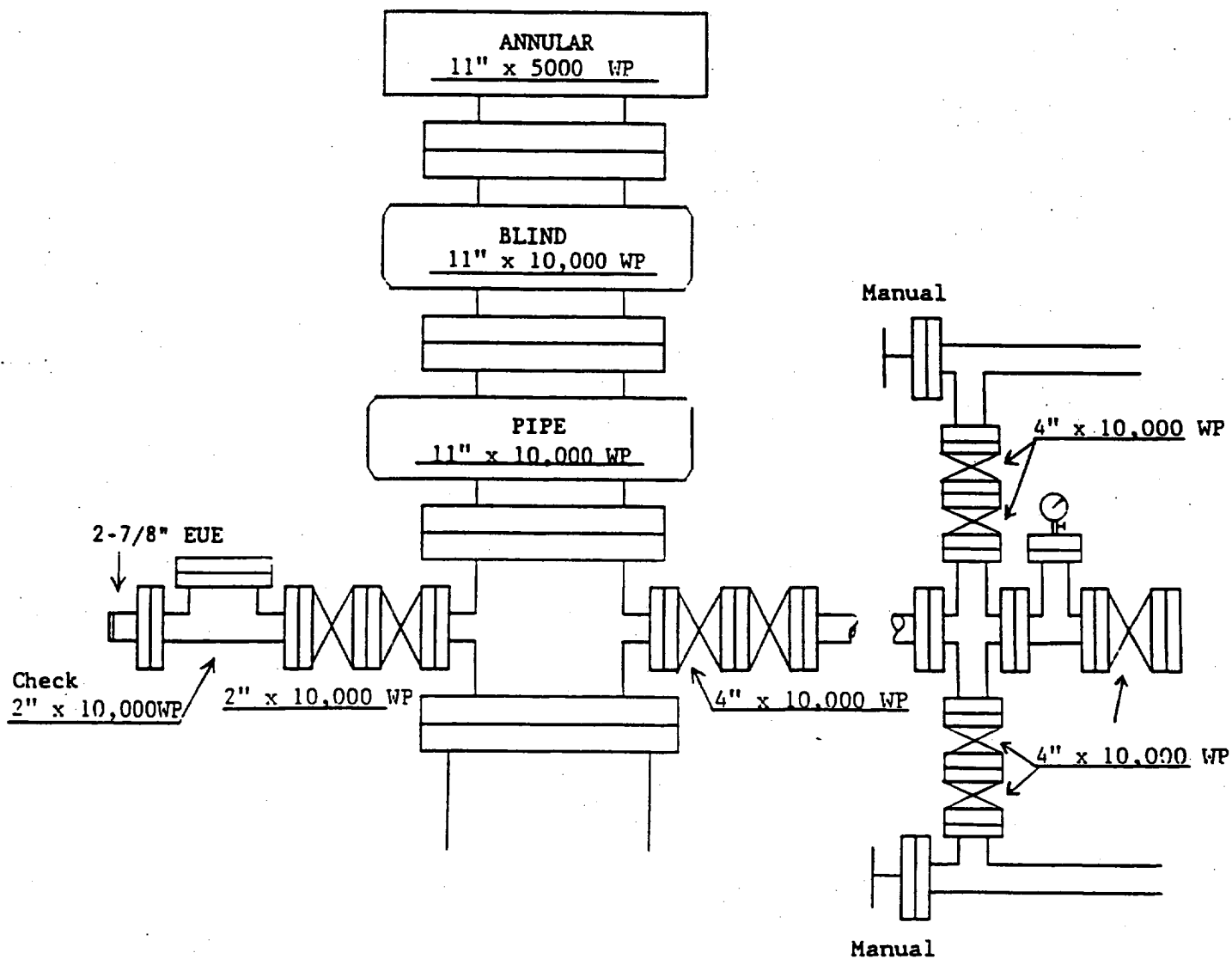
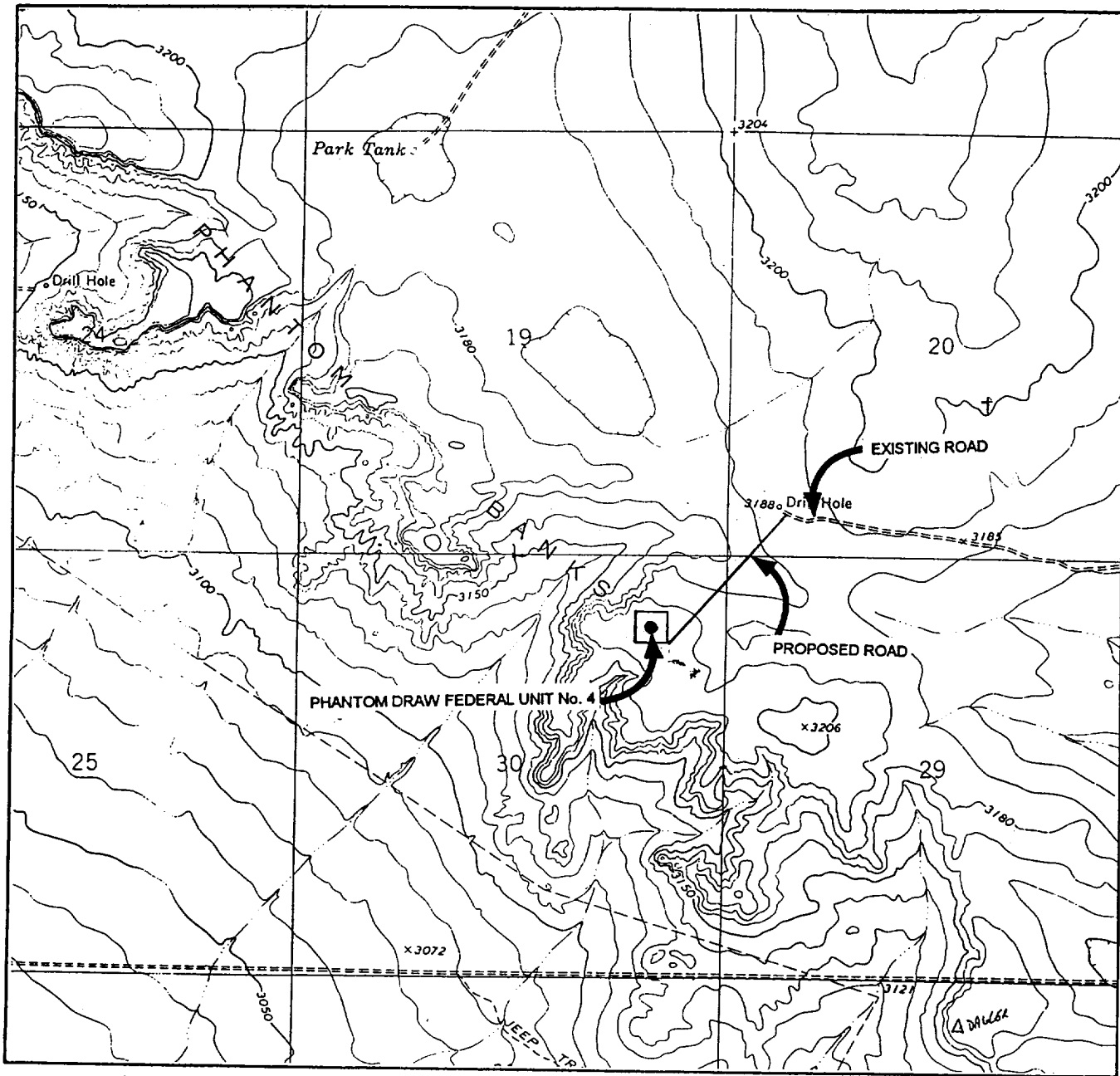


Exhibit 2

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'
WTC 45827

SEC. 30 TWP. 26-S RGE. 31-E

SURVEY N.M.P.M

COUNTY EDDY STATE NM

DESCRIPTION 900' FNL & 900' FEL

ELEVATION 3196'

OPERATOR EOG RESOURCES, INC.

LEASE PHANTOM DRAW FEDERAL UNIT No. 4

USGS TOPO MAP PHANTOM BANKS, NEW MEXICO

Exhibit 3

CONTOUR INTERVAL 10'

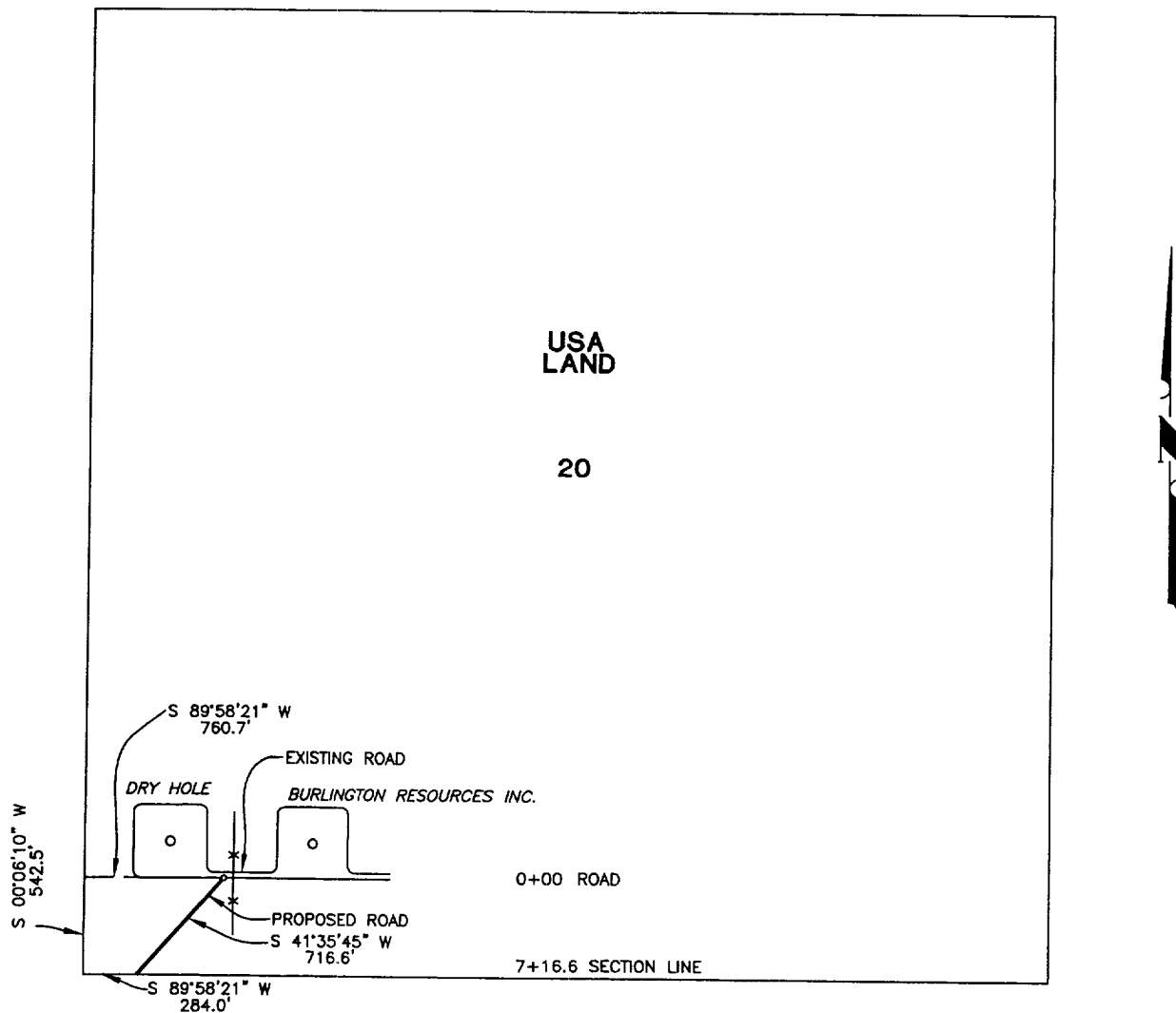
WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

SECTION 20, TOWNSHIP 26 SOUTH, RANGE 31 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 southwest corner of Section 20, T-26-S, R-31-E, N.M.P.M., Eddy County, New Mexico, bears S 89° 58' 21" W, 760.7 feet and S 00° 06' 10" W, 542.5 feet;
THENCE S 41° 35' 45" W, with the centerline of proposed road, 716.6 feet to a point in the south line of said Section 20, for the end of this road, from which point the southwest corner of said Section 20 bears S 89° 58' 21" W, 284.0 feet.

Exhibit, 3A(1)

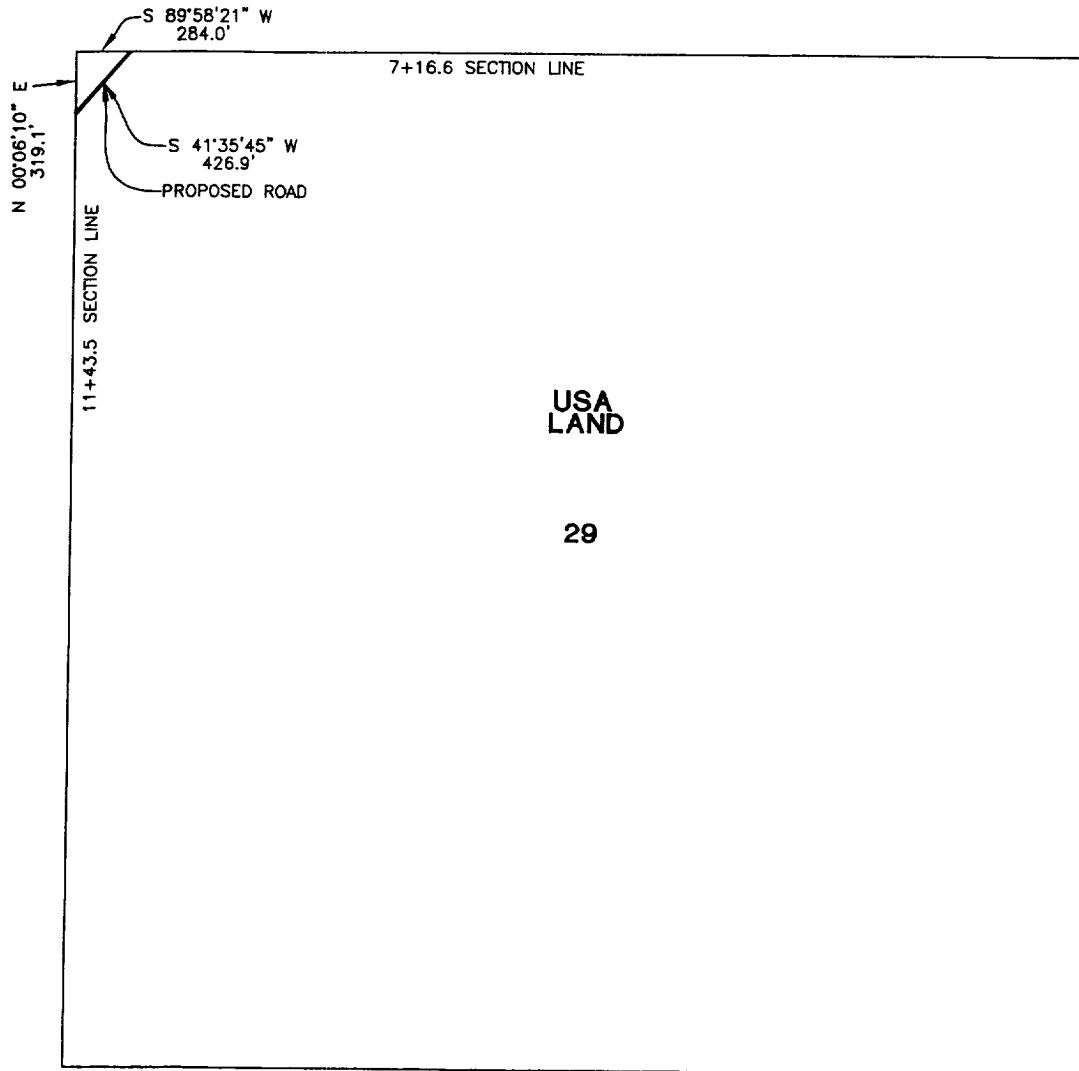
PROPOSED ROAD TO SERVE
PHANTOM DRAW FEDERAL UNIT No. 4

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

EOG RESOURCES INC.		
716.6 feet of proposed road in Section 20, T-26-S, R-31-E, N.M.P.M., Eddy County, New Mexico		
WEST TEXAS CONSULTANTS, INC. ENGINEERS-PLANNERS-SURVEYORS MIDLAND, TEXAS		
Survey Date: 3-18-00	Date: 3-20-00	Scale: 1" = 1000'
WTC No. 45827	Drawn By: JRS II	Sheet 1 of 3

**SECTION 29, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO**



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in the north line of Section 29, T-26-S, R-31-E, N.M.P.M., Eddy County, New Mexico, from which point the northwest corner of said Section 29 bears S 89° 58' 21" W, 284.0 feet;

THENCE S 41° 35' 45" W, with the centerline of proposed road, 426.9 feet to a point in the west line of said Section 29, for the end of this road, from which point the northwest corner of said Section 29 bears N 00° 06' 10" E, 319.1 feet.

Exhibit 3A(2)

**PROPOSED ROAD TO SERVE
PHANTOM DRAW FEDERAL UNIT No. 4**

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

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

EOG RESOURCES INC.

426.9 feet of proposed road in
Section 29, T-26-S, R-31-E, N.M.P.M.,
Eddy County, New Mexico

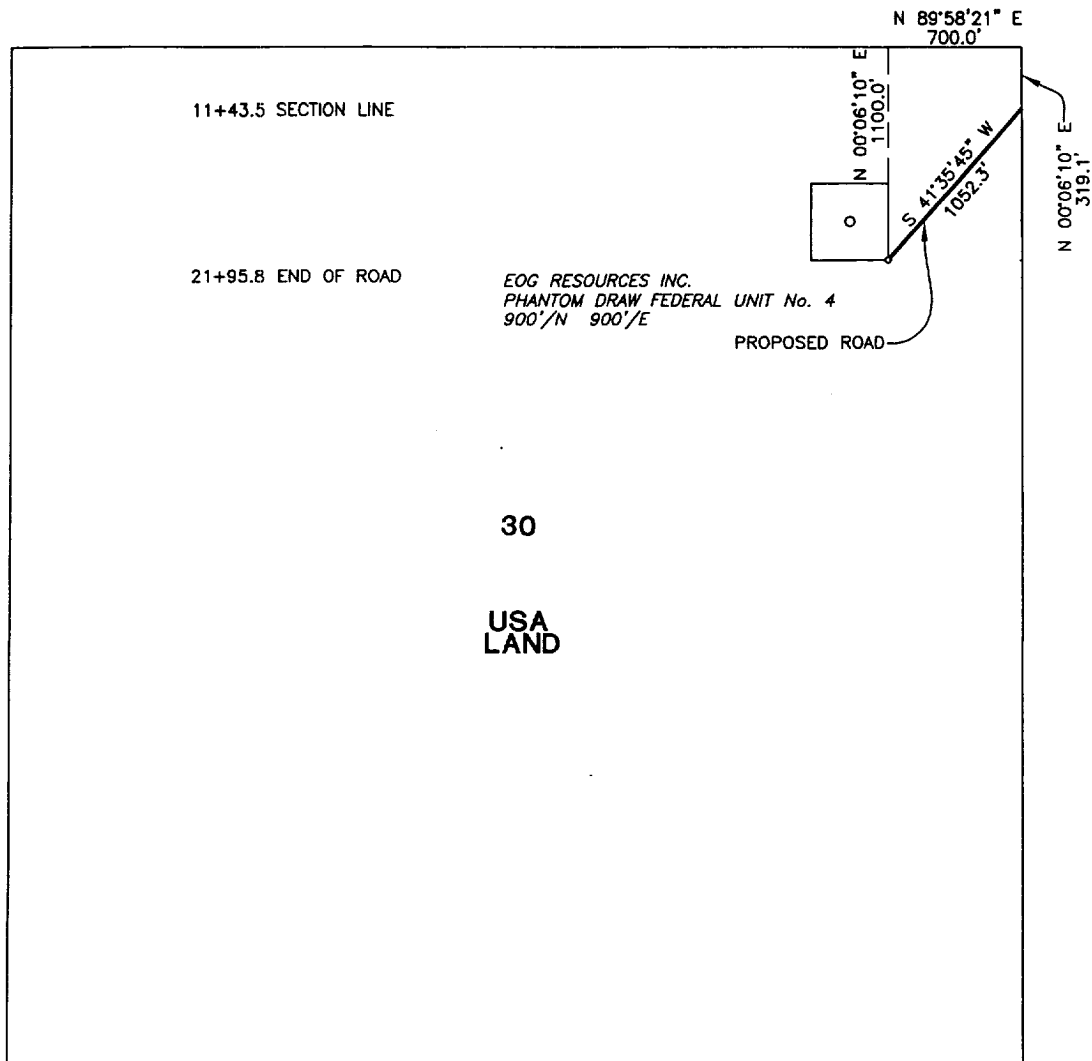
WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 3-18-00	Date: 3-20-00	Scale: 1" = 1000'
WTC No. 45827	Drawn By: JRS II	Sheet 2 of 3

SECTION 30, TOWNSHIP 26 SOUTH, RANGE 31 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in the east line of Section 30, T-26-S, R-31-E, N.M.P.M., Eddy County, New Mexico, from which point the northeast corner of said Section 30 bears N 00° 06' 10" E, 319.1 feet;

THENCE S 41° 35' 45" W, with the centerline of proposed road, 1052.3 feet to a point in the southeast corner of a well pad for EOG Resources, Inc. PHANTOM DRAW FEDERAL UNIT No. 4, for the end of this road, from which point the northeast corner of said Section 30 bears N 00° 06' 10" E, 1100.0 feet and N 89° 58' 21" E, 700.0 feet.

Exhibit 3A(3)

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

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

PROPOSED ROAD TO SERVE
PHANTOM DRAW FEDERAL UNIT No. 4

EOG RESOURCES INC.

1052.3 feet of proposed road in
Section 30, T-26-S, R-31-E, N.M.P.M.,
Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 3-18-00

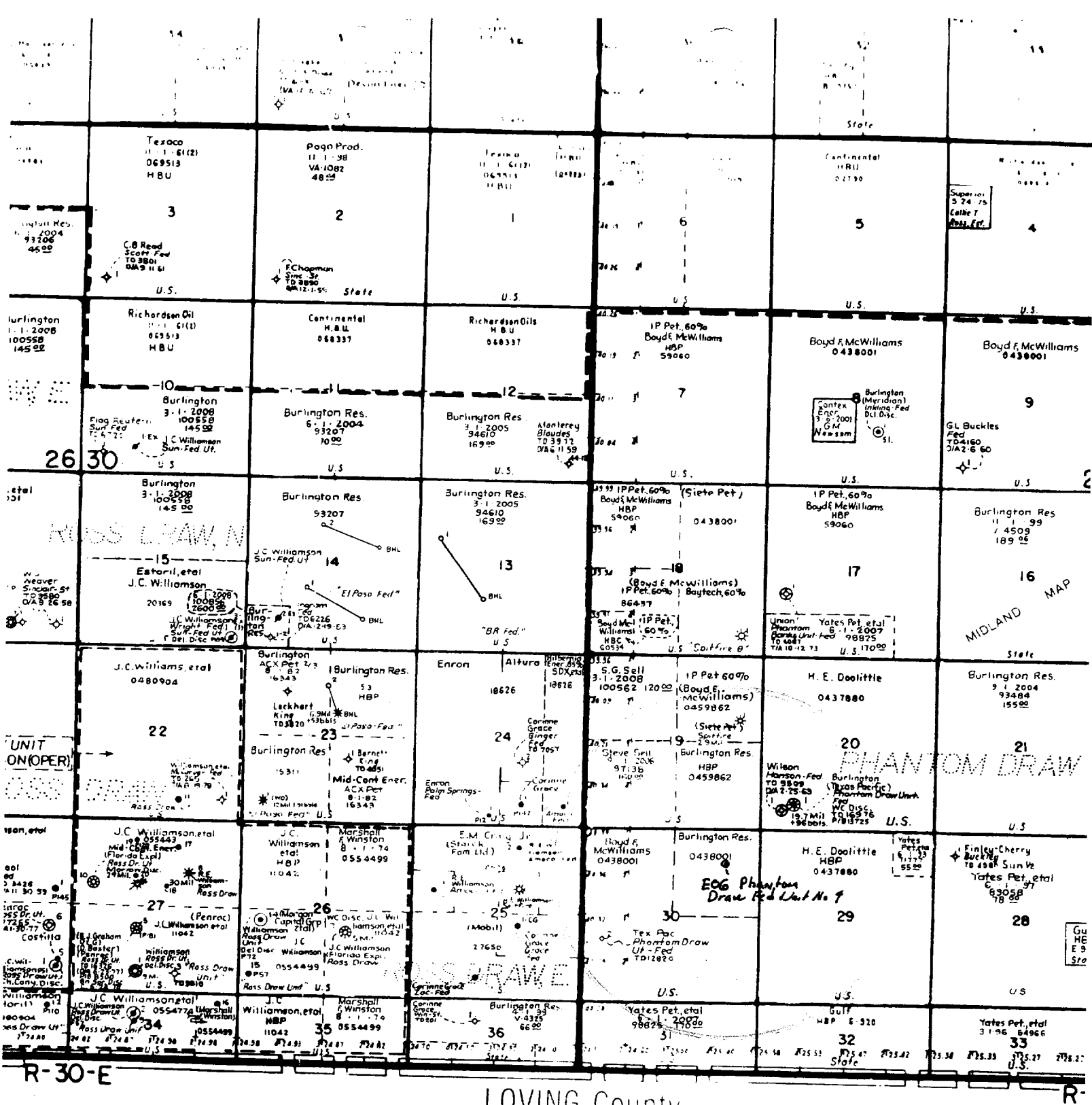
Date: 3-20-00

Scale: 1" = 1000'

WTC No. 45827

Drawn By: JRS II

Sheet 3 of 3



LOVING County

Exhibit 4

Wells within one (1) mile
radius of proposed well.

EOG Resources, Inc.

Phantom Draw Federal Unit No. 4

900' FNL & 900' FEL

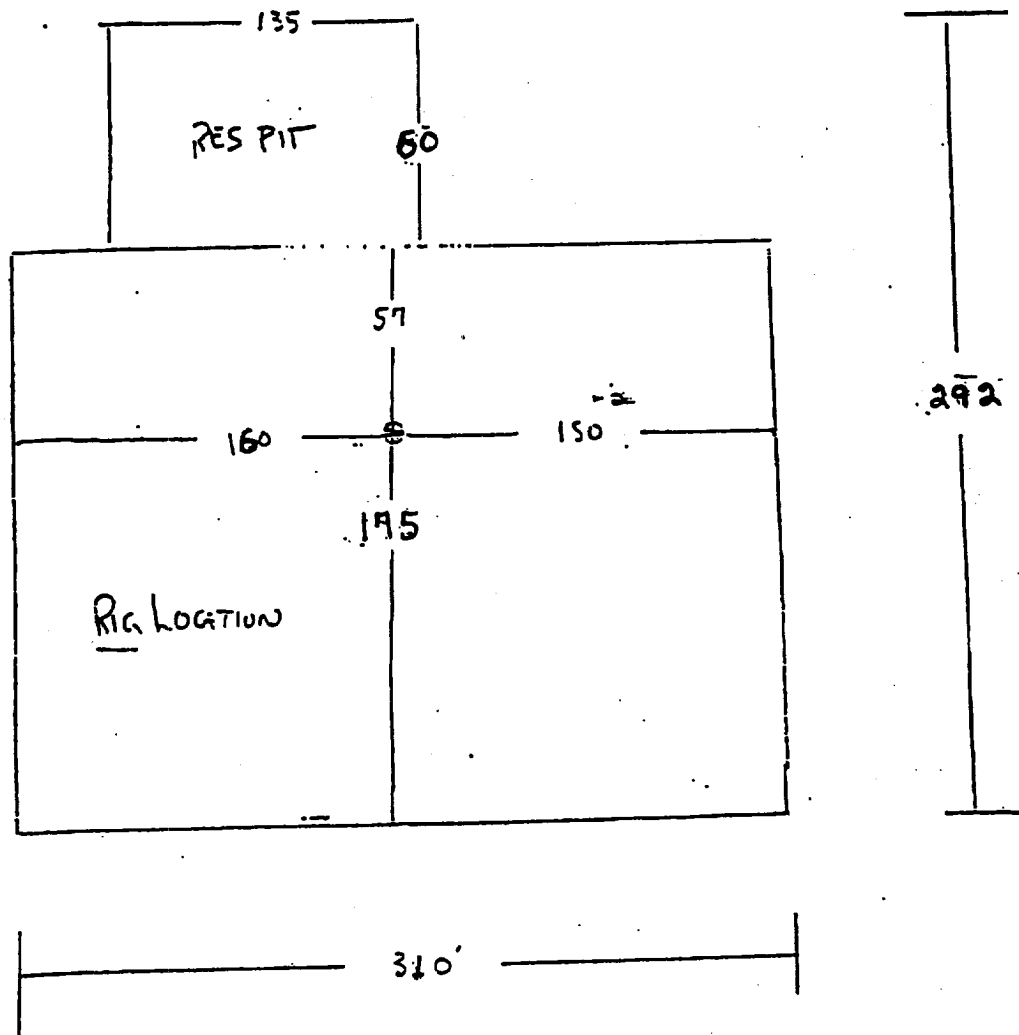
Sec 30, T26S, R31E

Eddy Co., NM

Ownership
East Part
EDDY COUNTY, N.M.

SCALE: 1" = 1/4

NORTH



Phantom Draw Federal Unit Well 4

Well Pad Dimensions

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.: NM0438001

Legal Description of Land: Section 30, T26S, R31E, NMPM
Eddy Co., NM

Formation(s) (if applicable):

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

BLM Bond File No.: MT-0748 with endorsement to State of NM

Authorized Signature: Mike Francis
Mike Francis

Title: Agent

Date: 4/14/00