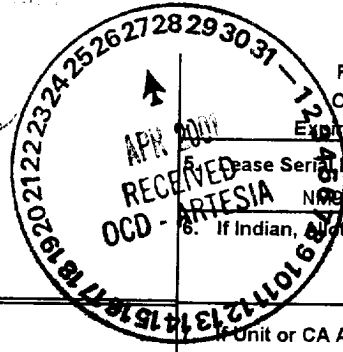


0151-

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  |  | 7. Unit or CA Agreement, Name and No.<br><b>27034</b>  |  |
| 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 |  | 8. Lease Name and Well No.<br>El Paso 14 Federal No. 2   |  |
| 2. Name of Operator<br>EOG Resources, Inc. <b>7377</b>  |  | 9. API Well No.<br><b>30-015-31746</b>   |  |
| 3a. Address<br>P.O. Box 2267, Midland, TX 79702   |  | 10. Field and Pool, or Exploratory<br>Ross Draw (Wolfcamp)   |  |
| 3b. Phone No. (include area code)<br>(915)686-3714  |  | 11. Sec., T., R., M., or Blk. And Survey or Area<br>Sec 14, T26S, R30E   |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)<br>At surface <b>1780</b> FNL & 660' FEL <b>BW</b><br>At proposed prod. Zone Same as surface <b>Unit H</b>     |  | 12. County or Parish<br>Eddy   |  |
| 14. Distance in miles and direction from nearest town or post office*<br>18 miles SE from Malaga  |  | 13. State<br>NM  |  |
| 15. Distance from proposed* location to nearest property or lease line, ft. 660'<br>(Also to nearest drlg. Unit line, if any) same  |  | 16. No. of Acres in lease<br>320   |  |
| 17. Spacing Unit dedicated to this well<br>N/2 320  |  | 18. Distance from proposed location* to nearest well, drilling, completed applied for, on this lease, ft. 2,500' |  |
| 19. Proposed Depth<br>13,200'   |  | 20. BLM/BIA Bond No. on file<br>NM2308   |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc)<br>GL3209  |  | 22. Approximate date work will start*<br>4/11/01   |  |
| 23. Estimated duration<br>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.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)     |
| 2. A Drilling Plan.  | 5. Operator certification.   |
| 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) | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

|  |  |                     |
|--|--|---------------------|
| 25. Signature <b>Mike Francis</b>          | Name (Printed/Typed)<br>Mike Francis   | Date<br>2/21/2001   |
| Title<br>Agent                             |  |                     |
| Approved by (Signature) <b>Joe G. Lara</b> | Name (Printed/Typed)<br>Joe G. Lara    | Date<br>APR 24 2001 |
| Title<br><b>FIELD MANAGER</b>              | Office<br><b>CARLSBAD FIELD OFFICE</b> |                     |

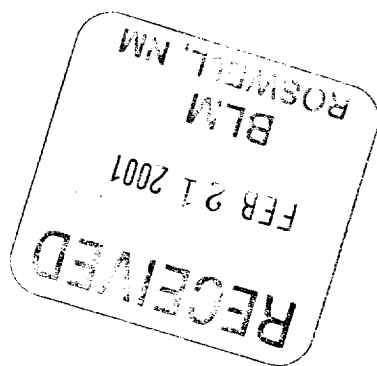
Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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)

APPR  
GE  
ATTACHED



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<br>Ross Draw, Wolfcamp |                     |
| *Property Code     |  | *Property Name<br>EL PASO "14" FEDERAL |  |                                   | *Well Number<br>2   |
| *OGRID No.<br>7377 |  | *Operator Name<br>EOG RESOURCES INC.   |  |                                   | *Elevation<br>3209' |

<sup>10</sup>Surface Location

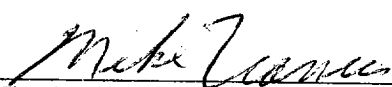
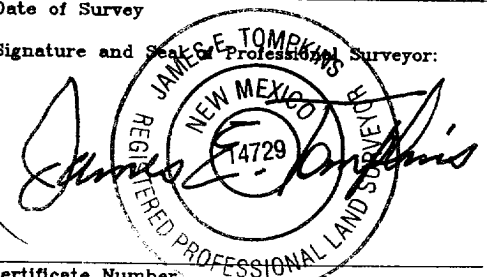
|               |         |          |       |         |               |                  |               |                |        |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| H             | 14      | 26-S     | 30-E  |         | 1980          | NORTH            | 660           | EAST           | EDDY   |

<sup>11</sup>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<br>320 | *Joint or Infill | *Consolidation Code | *Order No. |
|-------------------------|------------------|---------------------|------------|

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<br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br><br>Signature<br>Mike Francis<br>Printed Name<br>Agent<br>Title<br>2/20/01<br>Date   |  |
| EOG RESOURCES INC.<br>EL PASO "14" FEDERAL No. 2<br>ELEV. = 3209'<br>Y = 380225.771<br>X = 651325.250<br>LAT. = 32°02'39.89"<br>LONG. = 103°50'41.81" |  | 18 SURVEYOR CERTIFICATION<br>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.<br><br>FEBRUARY 2, 2001<br>Date of Survey<br>Signature and Seal of Professional Surveyor:<br><br>Certificate Number 14729 |  |

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.

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

|  |  |   |
|--|--|---|
| 1. Type of well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other |  | 5 Lease Serial No.<br>NM93207                           |
| 2. Name of Operator<br>EOG Resources, Inc.   |  | 6 If Indian, Allottee or Tribe Name                     |
| 3a. Address<br>P.O. Box 2267, Midland, TX 79702  | 3b. Phone No. (include area code)<br>(915)686-3714 | 7 If Unit or CA/Agreement, Name and/or No.              |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><br>1,780' FNL & 660' FEL<br>Sec 14, T26S, R30E        |  | 8 Well Name and No.<br>El Paso 14 Federal No. 2         |
|  |  | 9 API Well No.  |
|  |  | 10 Field and Pool, or Exploratory<br>Ross Draw Wolfcamp |
|  |  | 11 County or Parish, State<br>Eddy Co., NM              |


12. CHECK APPROPRIATE BOX(ES) TO 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 |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Change location                           |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

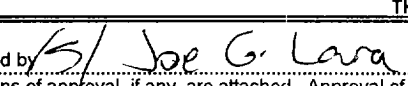

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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 recompletion 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.

1780' N  
Move drillsite location from 1,980' FNL & 660' FEL to 1,780' FNL & 660' FEL, Sec 14, T26S, R30E.  
Change made at request of BLM- Carlsbad.

14. I hereby certify that the foregoing is true and correct

|  |                 |
|--|-----------------|
| Name (Printed/Typed)<br>Mike Francis   | Title<br>Agent  |
| Signature<br> | Date<br>3/25/01 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

|  |               |   |
|--|---------------|---|
| Approved by  Joe G. Lara  | FIELD MANAGER | Date<br>APR 24 2001   |
| 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<br> |

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.

RECEIVED

MAR 29 '01

BLM  
ROSENBERG, NM

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<br><i>Ross Draw Well Comp</i> |
| *Property Code           | *Property Name<br>EL PASO "14" FEDERAL |            | *Well Number<br>2                        |
| *GRID No.<br><i>7377</i> | *Operator Name<br>EOG RESOURCES INC.   |            | *Elevation<br>3211                       |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 14      | 26-S     | 30-E  |         | 1780          | NORTH            | 660           | EAST           | EDDY   |

<sup>11</sup> 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<br><i>3.20</i> | "Joint or Infill | "Consolidation Code | "Order No. |
|---------------------------------|------------------|---------------------|------------|

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

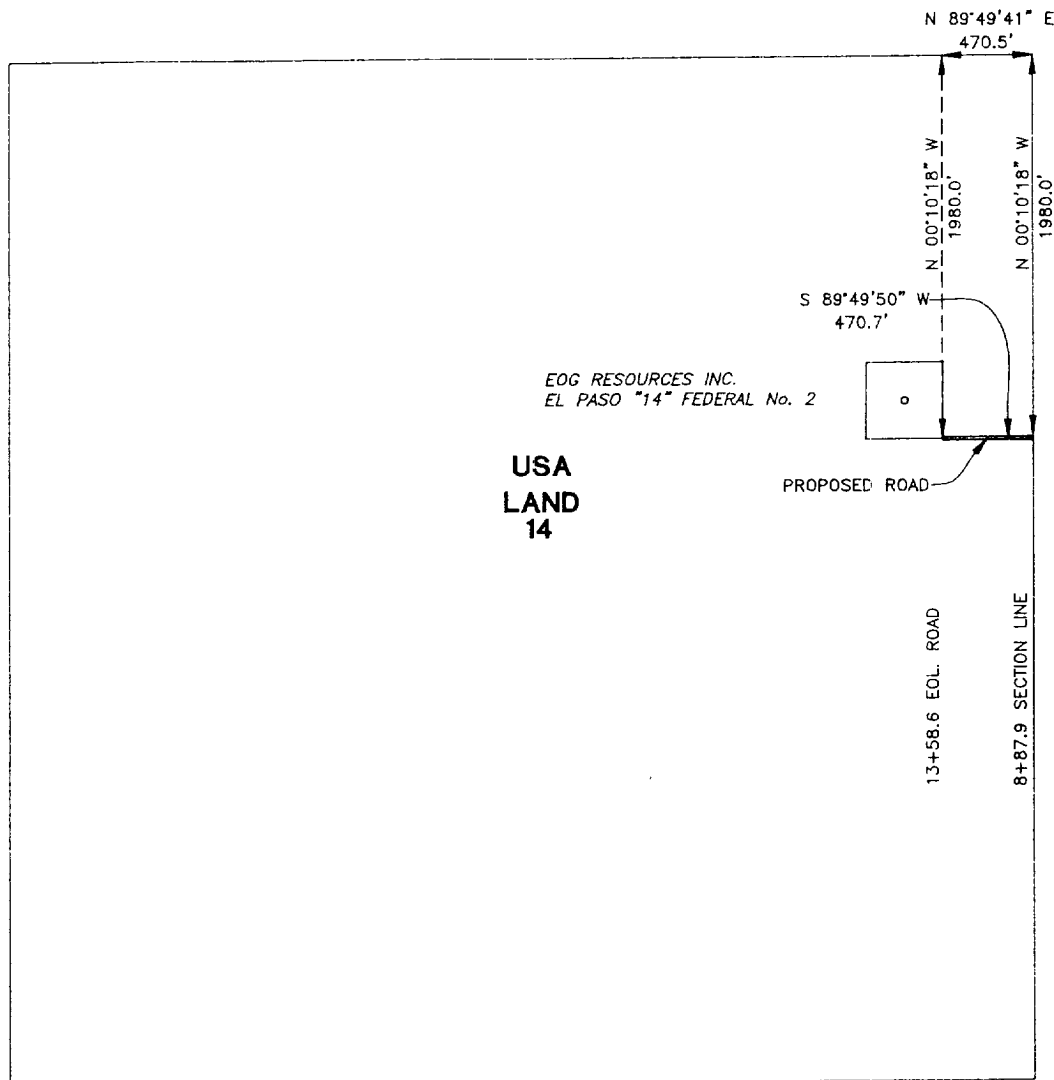
|  |  |
|--|--|
|  | <p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mike Francis</i><br/>Signature<br/><i>Mike Francis</i><br/>Printed Name<br/><i>Agent</i><br/>Title<br/><i>3/25/01</i><br/>Date</p>  |
|  | <p><sup>18</sup> 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 7, 2001<br/>Date of Survey</p> <p>Signature <i>James E. Tompkins</i><br/>Seal of Professional Surveyor:<br/></p> <p>Certificate Number 14729</p> |

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MAR 29 '01

ELM  
RECEIVED

SECTION 14, TOWNSHIP 26 SOUTH, RANGE 30 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

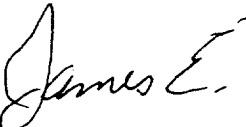
BEGINNING at a point in the east line of Section 14, T-26-S, R-30-E, N.M.P.M., Eddy County, New Mexico, from which point the northeast corner of said Section 14 bears N 00° 10' 18" W, 1980.0 feet;

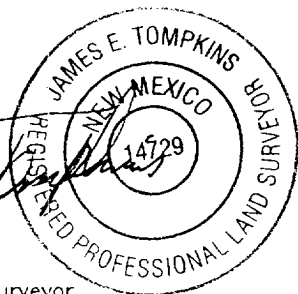
THENCE S 89° 49' 50" W, with the centerline of proposed road, 470.7 feet to a point in the southeast corner of a well pad for EOG Resources, Inc. EL PASO "14" FEDERAL No. 2, for the end of this road, from which point the northeast corner of said Section 14 bears N 00° 10' 18" W, 1980.0 feet and N 89° 49' 41" E, 470.5 feet.

Exhibit 3A (1)

PROPOSED ROAD TO SERVE  
EL PASO "14" FEDERAL No. 2

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.

470.7 feet of proposed road in  
Section 14, T-26-S, R-30-E, N.M.P.M.,  
Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 3-10-01

Date: 3-13-01

Scale: 1" = 1000'

WTC No. 46162

Drawn By: JWD

Sheet 2 of 2

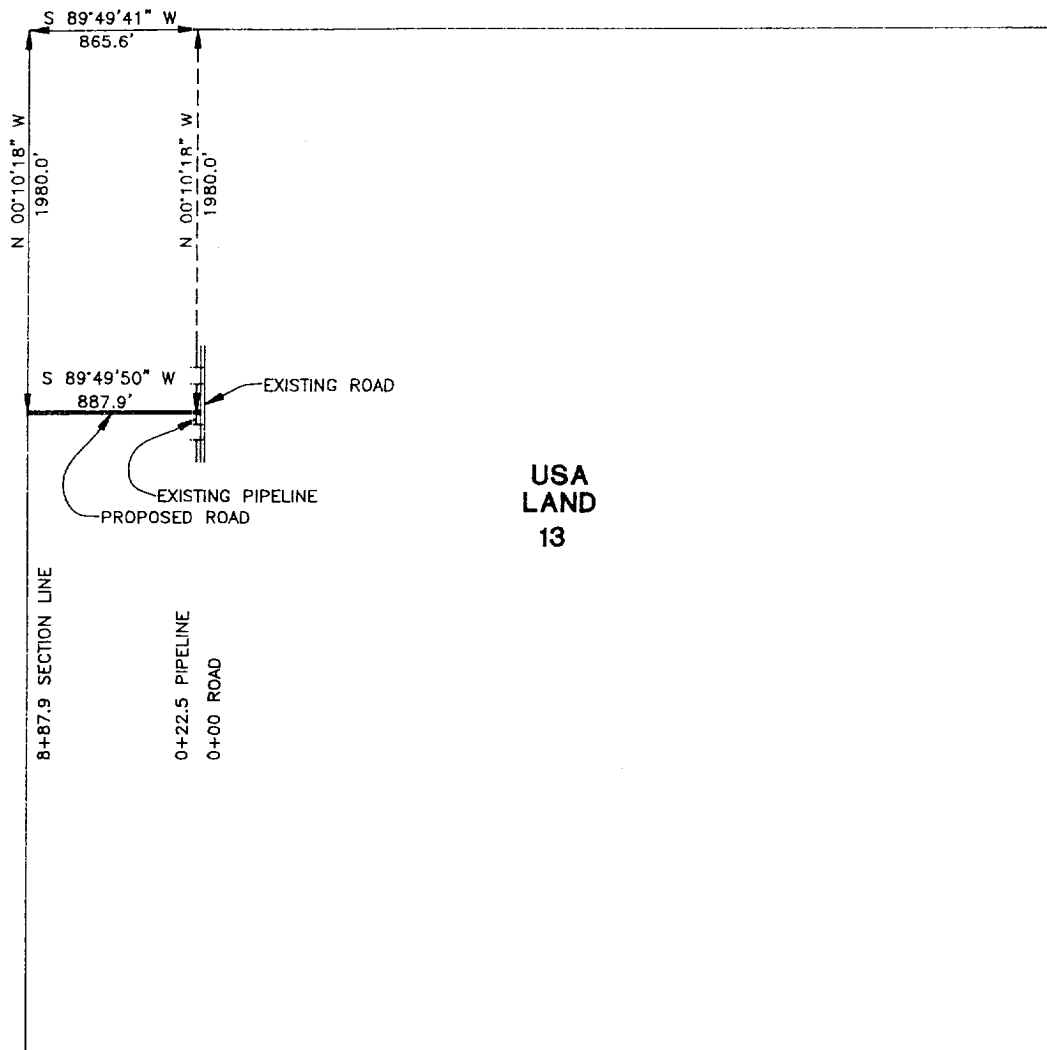


RECEIVED

MAR 29 '01

DLM  
ROOSEVELT, NM

SECTION 13, TOWNSHIP 26 SOUTH, RANGE 30 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO



CENTERLINE DESCRIPTION OF A PROPOSED ROAD: Exhibit 3A (2)

BEGINNING at a point in an existing road, from which point the northwest corner of Section 13, T-26-S, R-30-E, N.M.P.M., Eddy County, New Mexico, bears N 00° 10' 18" W, 1980.0 feet and S 89° 49' 41" W, 865.6 feet;  
THENCE S 89° 49' 50" W, with the centerline of proposed road, 887.9 feet to a point in the west line of said Section 13, for the end of this road, from which point the northwest corner of said Section 13 bears N 00° 10' 18" W, 1980.0 feet.

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.

PROPOSED ROAD TO SERVE  
EL PASO "14" FEDERAL No. 2

**EOG RESOURCES INC.**

887.9 feet of proposed road in  
Section 13, T-26-S, R-30-E, N.M.P.M.,  
Eddy County, New Mexico

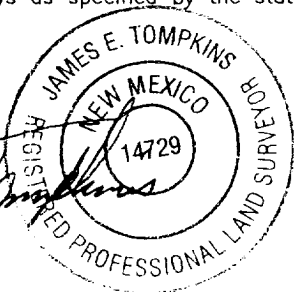
**WEST TEXAS CONSULTANTS, INC.**

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

|                      |               |                   |
|----------------------|---------------|-------------------|
| Survey Date: 3-10-01 | Date: 3-13-01 | Scale: 1" = 1000' |
| WTC No. 46162        | Drawn By: JWD | Sheet 1 of 2      |

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



RECEIVED

MAR 29 '01

BLM  
ROSWELL, NM

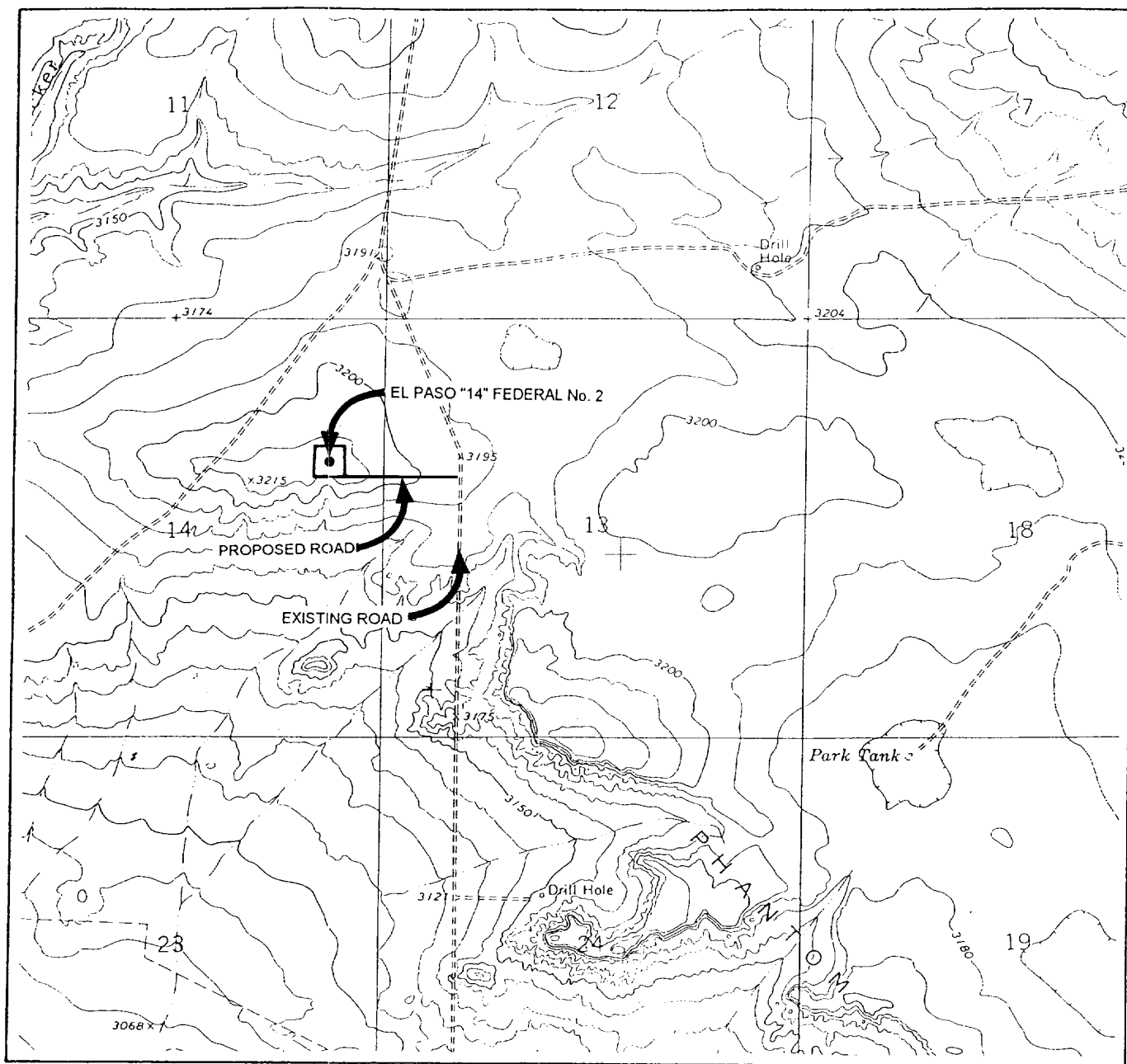


Exhibit 3

CONTOUR INTERVAL 10'

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

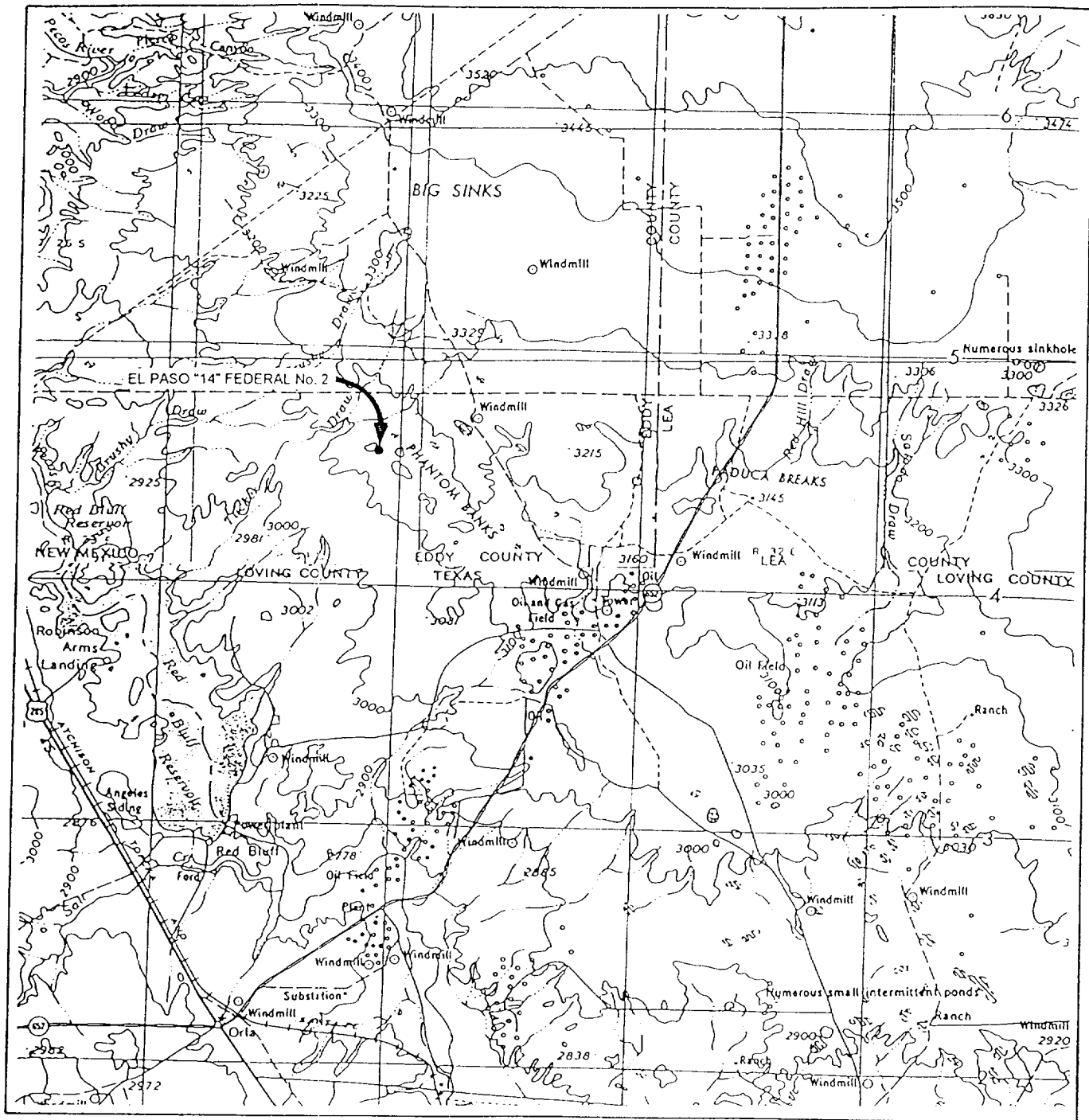
LEASE EL PASO "14" FEDERAL No. 2

USGS TOPO MAP PHANTOM BANKS, NEW MEXICO.

RECEIVED

NR 29 '01

BLM  
ROOSEVELT, NM



WTC 46162

SURVEY N.M.P.M.

DESCRIPTION 1780' FNL & 660' FEL

ELEVATION 3211'

OPERATOR EOG RESOURCES, INC.

LEASE EL PASO "14" FEDERAL No. 2

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

915-685-3800

RECEIVED

MAR 29 '01

BLM  
ROSWELL, NM

## DRILLING PROGRAM

EOG RESOURCES, INC.  
EL PASO "14" FEDERAL NO. 2  
1,980' FNL & 660' FEL  
SEC. 14, T26S, R30E  
EDDY COUNTY, NM

### 1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

### 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

|                                |         |
|--------------------------------|---------|
| Delaware                       | 3750'   |
| Bone Spring Ls                 | 7620'   |
| 2 <sup>nd</sup> Bone Spring Sd | 9200'   |
| 3 <sup>rd</sup> Bone Spring Sd | 10500'  |
| Wolfcamp                       | 10880'  |
| Wolfcamp Mence Pay             | 12,000' |
| Wolfcamp Pay                   | 12200'  |

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

|                     |      |             |
|---------------------|------|-------------|
| Upper Permian Sands | 100' | Fresh Water |
| Upper Penn          |      | Gas         |

### 4. CASING PROGRAM

| Hole Size | Interval     | OD Casing | Weight Grade Jt. | Cond. Type |
|-----------|--------------|-----------|------------------|------------|
| 14 3/4"   | 0-400' 1250' | 11 3/4"   | 42# H-40         | ST&C       |
| 11"       | 0-4000'      | 8 5/8"    | 32# J-55         | LT&C       |
| 7 7/8"    | 0-11700'     | 5 1/2"    | 17# S95/P110     | L&TC       |
| 4 3/4"    | 0-13200'     | 2 7/8"    | 6.5# N80         |            |

#### 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: ~~1250'~~ 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.  
EL PASO "14" FEDERAL NO. 2  
1,980' FNL & 660' FEL  
SEC. 14, T26S, R30E  
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 2<sup>nd</sup> 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:

| Depth         | Type                | Wt<br>(PPG) | Viscosity<br>(sec) | Waterloss<br>(cc) |
|---------------|---------------------|-------------|--------------------|-------------------|
| 0-400'        | Fresh Water (spud)  | 8.5         | 40-45              | N.C.              |
| 400'-4000'    | Brine Water         | 10.0        | 30                 | N.C.              |
| 4000'-11700'  | Fresh Water         | 8.4         | 28                 | N.C.              |
| 11700'-13000' | 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 H<sub>2</sub>S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 2000' to TD.

**DRILLING PROGRAM**

**EOG RESOURCES, INC.  
EL PASO "14" FEDERAL NO. 2  
1,980' FNL & 660' FEL  
SEC. 14, T26S, R30E  
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.  
EL PASO "14" FEDERAL NO. 2  
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SEC. 14, T26S, R30E  
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:**

1358.6' of new road is required. Exhibit 3A(1)(2)

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.  
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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.  
EL PASO "14" FEDERAL NO. 2  
1,980' FNL & 660' FEL  
SEC. 14, T26S, R30E  
EDDY COUNTY, NM**

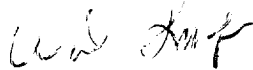
**OTHER INFORMATION:**

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: 2-20-01

## **DRILLING PROGRAM**

**EOG RESOURCES, INC.  
EL PASO "14" FEDERAL NO. 2  
1,980' FNL & 660' FEL  
SEC. 14, T26S, R30E  
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.

## DRILLING PROGRAM

EOG RESOURCES, INC.  
EL PASO "14" FEDERAL NO. 2  
1,980' FNL & 660' FEL  
SEC. 14, T26S, R30E  
EDDY COUNTY, NM

### 1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

### 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

|                                |         |
|--------------------------------|---------|
| Delaware                       | 3750'   |
| Bone Spring Ls                 | 7620'   |
| 2 <sup>nd</sup> Bone Spring Sd | 9200'   |
| 3 <sup>rd</sup> Bone Spring Sd | 10500'  |
| Wolfcamp                       | 10880'  |
| Wolfcamp Menace Pay            | 12,000' |
| Wolfcamp Pay                   | 12200'  |

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

|                     |      |             |
|---------------------|------|-------------|
| Upper Permian Sands | 100' | Fresh Water |
| Upper Penn          |      | 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"          | 0-400'          | 11 3/4"          | 42# H-40 ST&C                      |
| 11"              | 0-4000'         | 8 5/8"           | 32# J-55 LT&C                      |
| 7 7/8"           | 0-11700'        | 5 1/2"           | 17# S95/P110 L&TC                  |
| 4 3/4"           | 0-13200'        | 2 7/8"           | 6.5# N80                           |

#### 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<br>This designed to bring TOC to 11500 +/-.  |

EOG Resources, Inc.

El Paso 14 Federal No. 2

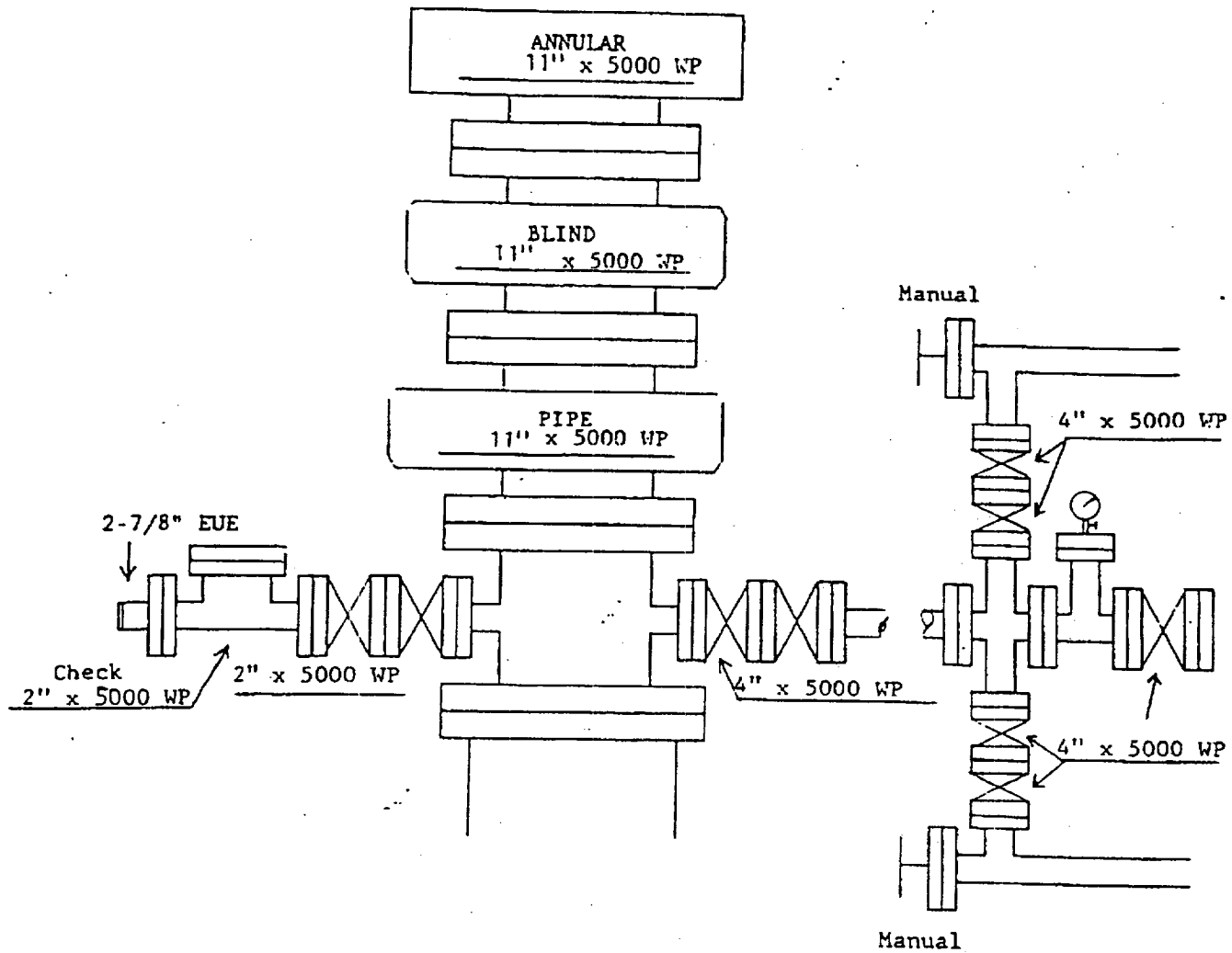


Exhibit 1



EOG Resources, Inc.

El Paso "14" Federal No. 2

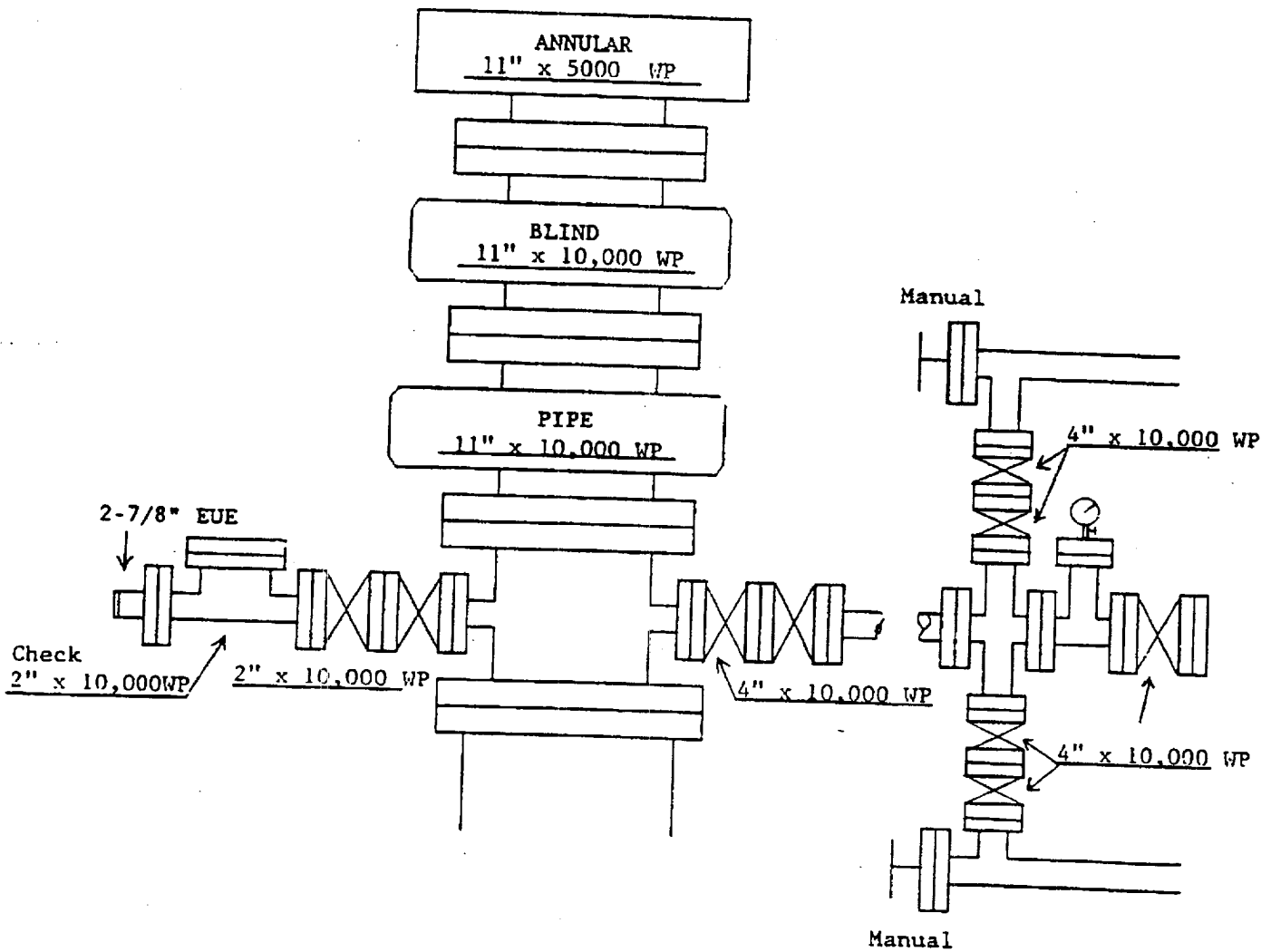


Exhibit 2

# LOCATION VERIFICATION MAP

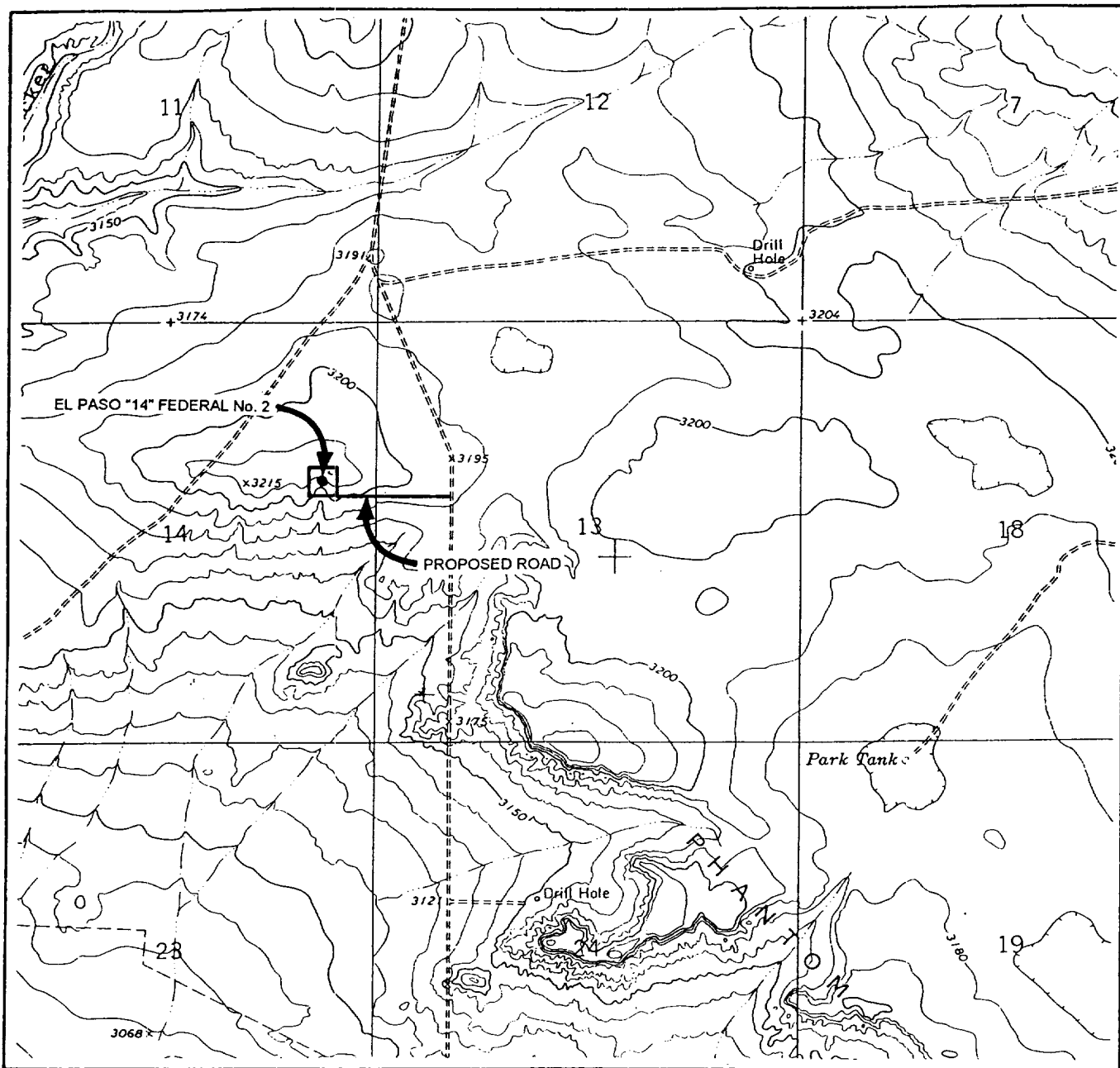


Exhibit 3

SCALE: 1" = 2000'  
WTC 46162

SEC. 14 TWP. 26-S RGE. 30-E

SURVEY N.M.P.M

COUNTY EDDY STATE NM

DESCRIPTION 1980' FNL & 660' FEL

ELEVATION 3209'

OPERATOR EOG RESOURCES, INC.

LEASE EL PASO 14 FEDERAL No. 2

USGS TOPO MAP PHANTOM BANKS, NEW MEXICO.

CONTOUR INTERVAL 10'

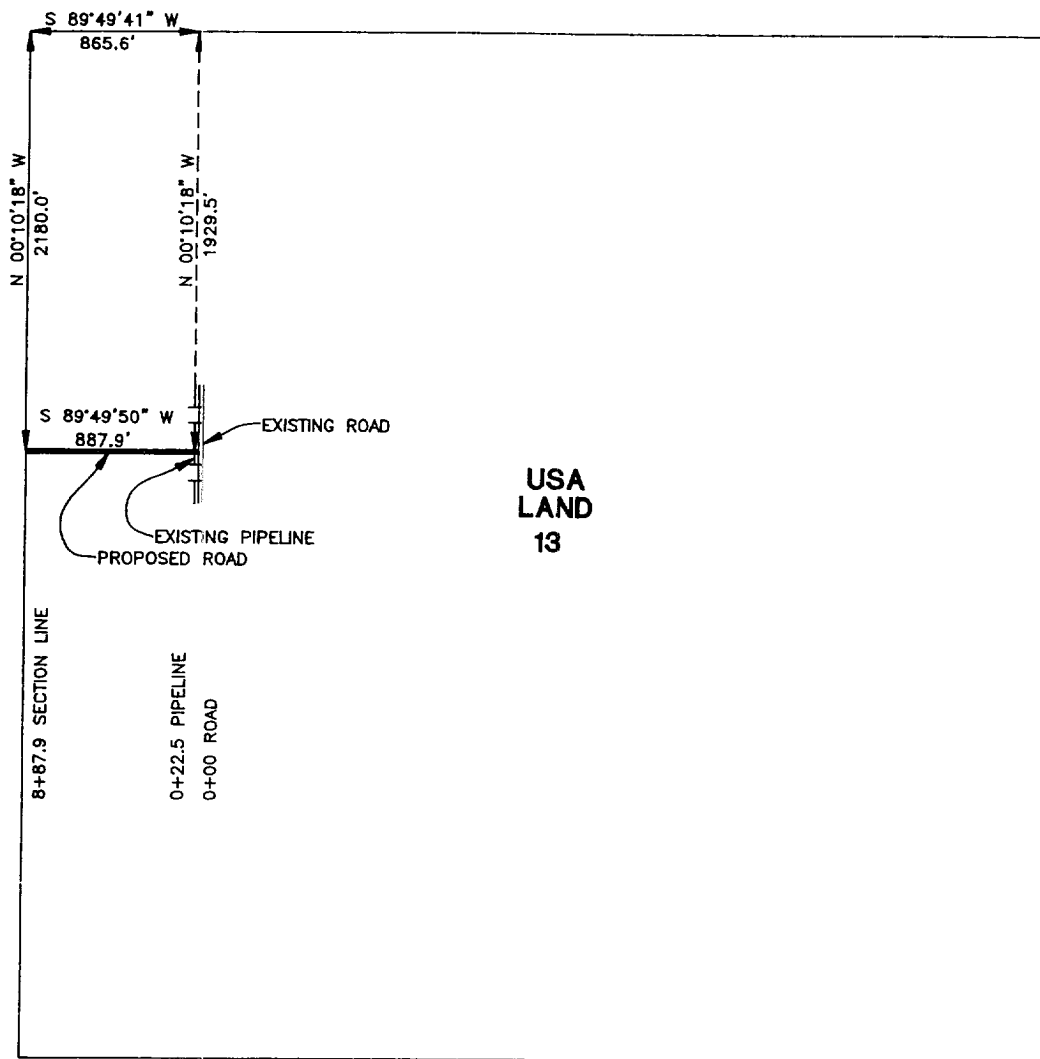
**WEST TEXAS CONSULTANTS, INC.**

**ENGINEERS-PLANNERS-SURVEYORS**

**MIDLAND, TEXAS**

**915-685-3800**

SECTION 13, TOWNSHIP 26 SOUTH, RANGE 30 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO

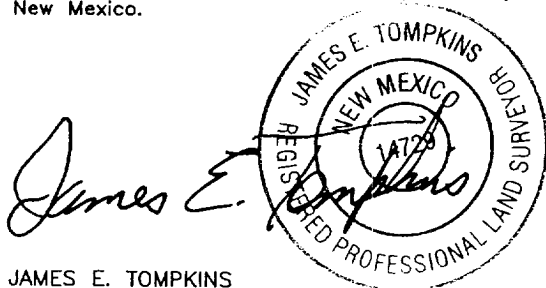


CENTERLINE DESCRIPTION OF A PROPOSED ROAD:

BEGINNING at a point in an existing road, from which point the northwest corner of Section 13, T-26-S, R-30-E, N.M.P.M., Eddy County, New Mexico, bears N 00° 10' 18" W, 1929.5 feet and S 89° 49' 41" W, 865.6 feet;  
THENCE S 89° 49' 50" W, with the centerline of proposed road, 887.9 feet to a point in the west line of said Section 13, for the end of this road, from which point the northwest corner of said Section 13 bears N 00° 10' 18" W, 2180.0 feet.

Exhibit 3A(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

PROPOSED ROAD TO SERVE  
EL PASO "14" FEDERAL No. 2

EOG RESOURCES INC.

887.9 feet of proposed road in  
Section 13, T-26-S, R-30-E, N.M.P.M.,  
Eddy County, New Mexico

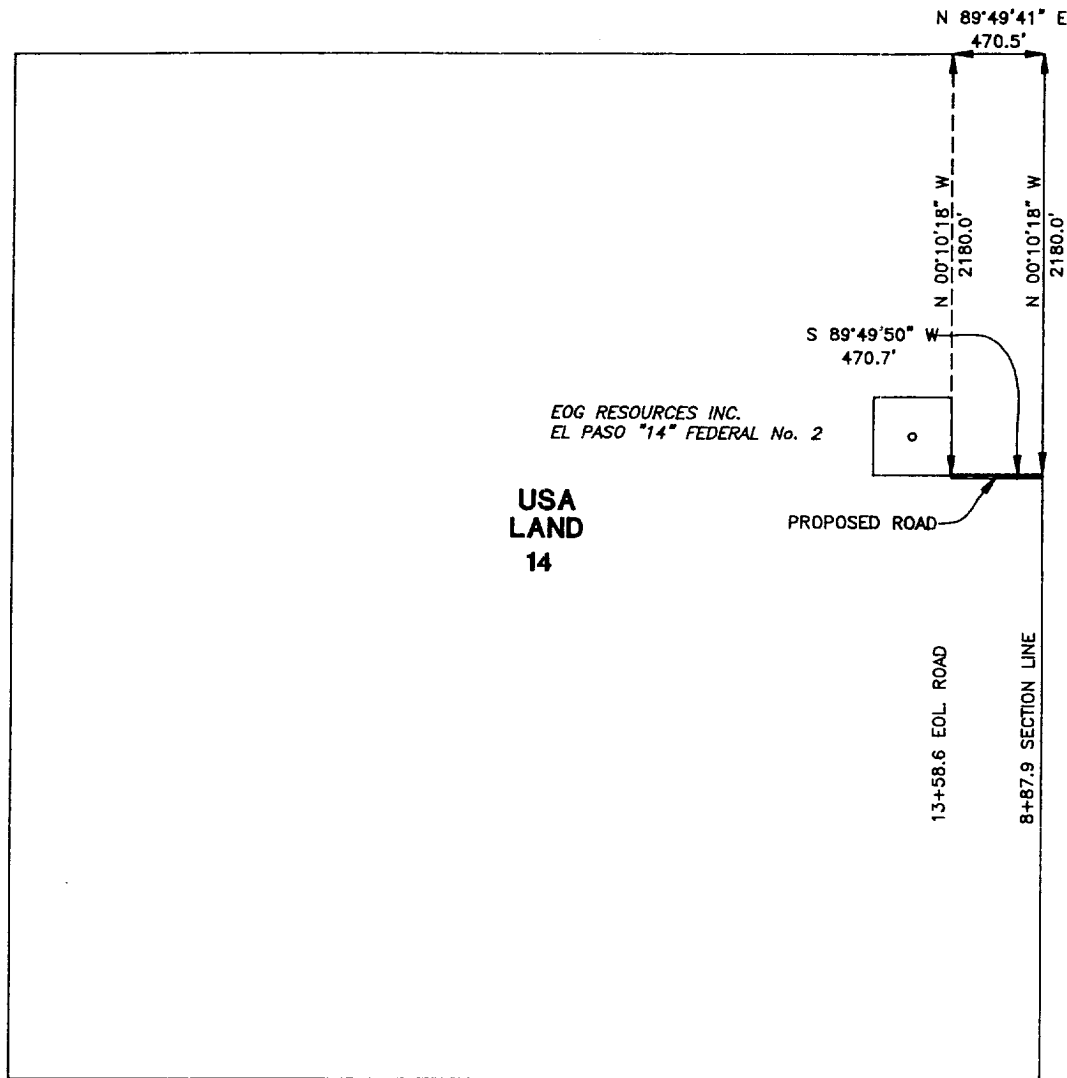
WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

|                      |                  |                   |
|----------------------|------------------|-------------------|
| Survey Date: 1-26-01 | Date: 2-2-01     | Scale: 1" = 1000' |
| WTC No. 46162        | Drawn By: JRS II | Sheet 1 of 2      |

SECTION 14, TOWNSHIP 26 SOUTH, RANGE 30 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 14, T-26-S, R-30-E, N.M.P.M., Eddy County, New Mexico, from which point the northeast corner of said Section 14 bears N 00° 10' 18" W, 2180.0 feet;

THENCE S 89° 49' 50" W, with the centerline of proposed road, 470.7 feet to a point in the southeast corner of a well pad for EOG Resources, Inc. EL PASO "14" FEDERAL No. 2, for the end of this road, from which point the northeast corner of said Section 14 bears N 00° 10' 18" W, 2180.0 feet and N 89° 49' 41" E, 470.5 feet.

Exhibit 3A(2)

PROPOSED ROAD TO SERVE  
EL PASO "14" FEDERAL No. 2

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.

470.7 feet of proposed road in  
Section 14, T-26-S, R-30-E, N.M.P.M.,  
Eddy County, New Mexico

WEST TEXAS CONSULTANTS, INC.

ENGINEERS-PLANNERS-SURVEYORS

MIDLAND, TEXAS

Survey Date: 1-26-01

Date: 2-2-01

Scale: 1" = 1000'

WTC No. 46162

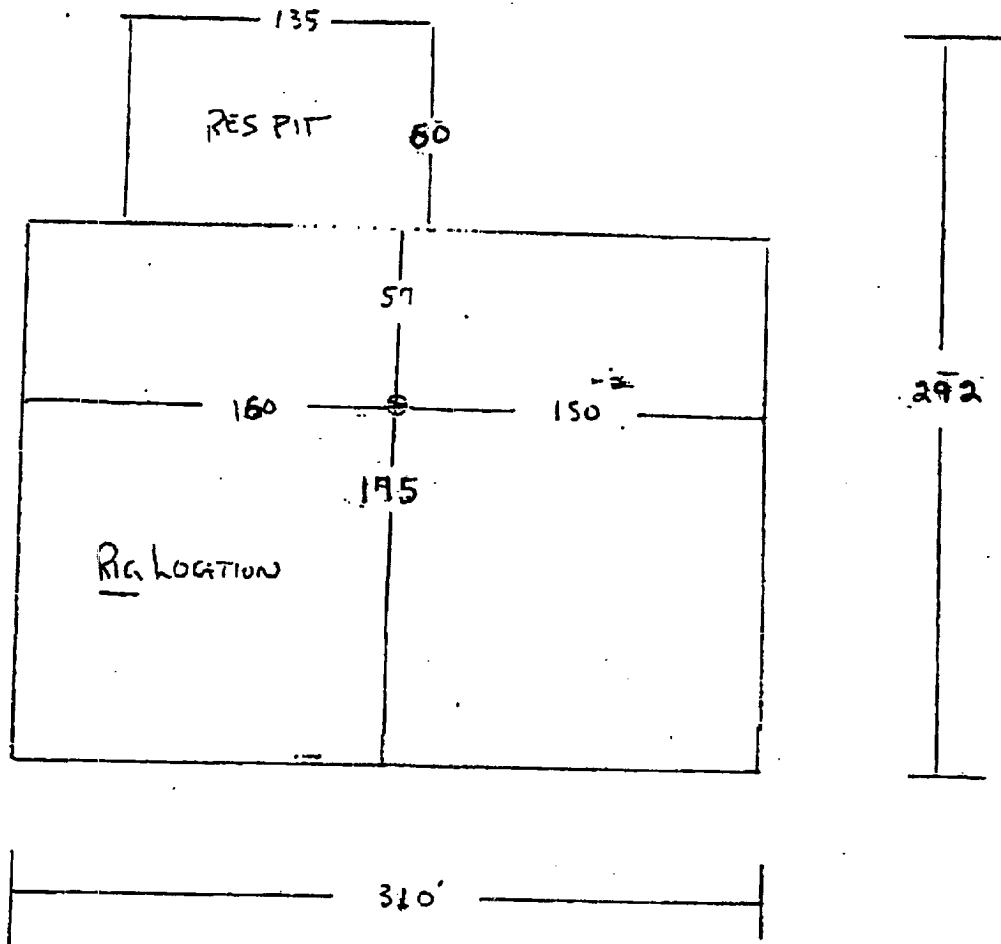
Drawn By: JRS II

Sheet 2 of 2



Exhibit V

El Paso "14" Federal No. 2



### 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.:** NM93207


**Legal Description of Land:** Section 14, T26S, R30E, NMPM  
Lea Co., 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:** 2/20/2001