

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|                                                                                         |                                    |                               |
|-----------------------------------------------------------------------------------------|------------------------------------|-------------------------------|
| 1. Operator Name and Address<br>EOG RESOURCES INC<br>P.O. Box 2267<br>Midland, TX 79702 |                                    | 2. OGRID Number<br>7377       |
|                                                                                         |                                    | 3. API Number<br>30-015-35498 |
| 4. Property Code<br>36244                                                               | 5. Property Name<br>GANGES C 2 FEE | 6. Well No.<br>002H           |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |        |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| P        | 2       | 16S      | 25E   | P       | 760       | S        | 210       | E        | EDDY   |

**8. Pool Information**

|                                 |       |
|---------------------------------|-------|
| COTTONWOOD CREEK;WOLFCAMP (GAS) | 75250 |
|---------------------------------|-------|

**Additional Well Information**

|                                                                                                                                                                                                                                                                                                                                                               |                            |                                                  |                           |                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------|---------------------------|---------------------------------------------|
| 9. Work Type<br>New Well                                                                                                                                                                                                                                                                                                                                      | 10. Well Type<br>GAS       | 11. Cable/Rotary                                 | 12. Lease Type<br>Private | 13. Ground Level Elevation<br>3418          |
| 14. Multiple<br>N                                                                                                                                                                                                                                                                                                                                             | 15. Proposed Depth<br>5200 | 16. Formation<br>Wolfcamp                        | 17. Contractor            | 18. Spud Date                               |
| Depth to Ground water<br>75                                                                                                                                                                                                                                                                                                                                   |                            | Distance from nearest fresh water well<br>> 1000 |                           | Distance to nearest surface water<br>> 1000 |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 10300 bbls Drilling Method:<br>Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input checked="" type="checkbox"/> Gas/Air <input type="checkbox"/> |                            |                                                  |                           |                                             |

**19. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25     | 8.625       | 32               | 1175          | 375             | 0             |
| Prod | 7.875     | 5.5         | 17               | 9174          | 750             | 0             |

**Casing/Cement Program: Additional Comments**

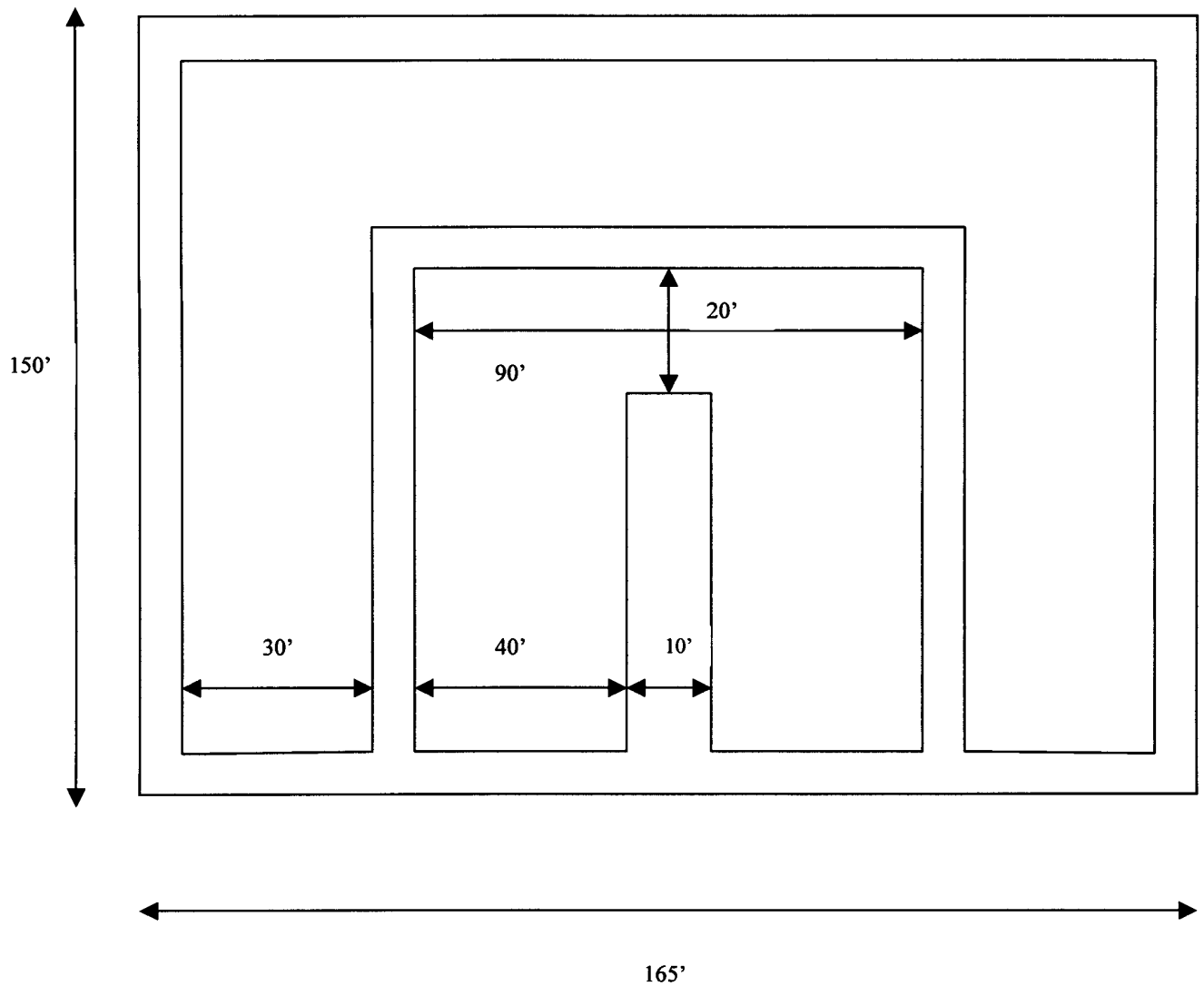
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**Proposed Blowout Prevention Program**

| Type      | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 3000             | 3000          |              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                       |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|--|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .<br>Printed Name: Electronically filed by Donny Glanton<br>Title: Sr. Lease Operations Rep<br>Email Address: donny_glanton@eogresources.com<br>Date: 3/23/2007   Phone: 432-686-3642 | OIL CONSERVATION DIVISION                             |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Approved By: Bryan Arrant                             |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Title: Geologist                                      |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Approved Date: 3/27/2007   Expiration Date: 3/27/2008 |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Conditions of Approval Attached                       |  |

# New Mexico Double Horseshoe Reserve Pit Design



Approximate Inside Reserve Volume: 4500 bbls  
Approximate Outside Reserve Volume: 5800 bbls

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102  
 Permit 49660

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |                                       |                                                 |
|-------------------------------|---------------------------------------|-------------------------------------------------|
| 1. API Number<br>30-015-35498 | 2. Pool Code<br>75250                 | 3. Pool Name<br>COTTONWOOD CREEK;WOLFCAMP (GAS) |
| 4. Property Code<br>36244     | 5. Property Name<br>GANGES C 2 FEE    | 6. Well No.<br>002H                             |
| 7. OGRID No.<br>7377          | 8. Operator Name<br>EOG RESOURCES INC | 9. Elevation<br>3418                            |

**10. Surface Location**

|               |              |                 |              |         |                  |               |                  |               |                |
|---------------|--------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot<br>P | Section<br>2 | Township<br>16S | Range<br>25E | Lot Idn | Feet From<br>760 | N/S Line<br>S | Feet From<br>210 | E/W Line<br>E | County<br>EDDY |
|---------------|--------------|-----------------|--------------|---------|------------------|---------------|------------------|---------------|----------------|

**11. Bottom Hole Location If Different From Surface**

| 11. Bottom Hole Location If Different From Surface |              |                     |              |                        |                  |               |                  |               |                |
|----------------------------------------------------|--------------|---------------------|--------------|------------------------|------------------|---------------|------------------|---------------|----------------|
| UL - Lot<br>M                                      | Section<br>2 | Township<br>16S     | Range<br>25E | Lot Idn<br>M           | Feet From<br>760 | N/S Line<br>S | Feet From<br>660 | E/W Line<br>W | County<br>EDDY |
| 12. Dedicated Acres<br>320.00                      |              | 13. Joint or Infill |              | 14. Consolidation Code |                  |               | 15. 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 align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Donny Glanton<br/>         Title: Sr. Lease Operations Rep<br/>         Date: 3/23/2007</p> |
|  | <p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><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 the best of my belief.</i></p> <p>Surveyed By: Terry Asel<br/>         Date of Survey: 3/16/2007<br/>         Certificate Number: 15079</p>                                                                                                                                                                                                                                                                                             |

## Permit Comments

Operator: EOG RESOURCES INC , 7377

Well: GANGES C 2 FEE #002H

API: 30-015-35498

| Created By | Comment                                                                                              | Comment Date |
|------------|------------------------------------------------------------------------------------------------------|--------------|
| dglanton   | Plat, Detailed Casing, Mud, Cement, Drilling Plan and H2S letter will be forwarded via regular mail. | 3/23/2007    |

# Permit Conditions of Approval

Operator: EOG RESOURCES INC , 7377

Well: GANGES C 2 FEE #002H

API: 30-015-35498

| OCD Reviewer | Condition                                                                                                                                             |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| BArrant      | Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines |
| BArrant      | Will require a directional survey with the C-104                                                                                                      |
| BArrant      | As noted, operator to drill surface hole with fresh water mud.                                                                                        |
| BArrant      | Please notify OCD time of spud and time to witness the cementing to surface of all strings of casing.                                                 |
| BArrant      | A h2s well contingency plan will be required providing that a public dwelling lies within 1/2 mile of well bore.                                      |
| BArrant      | A simultaneous dedication approval will be required providing another well produces from the same formation in the same dedicated acreage.            |