

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 EOG RESOURCES INC P.O. Box 2267 Midland, TX 79702 | | 2. OGRID Number 7377 |
| | | 3. API Number 30-015-35506 |
| 4. Property Code 36417 | 5. Property Name ORINOCO B 8 FEE | 6. Well No. 001H |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| I | 8 | 16S | 26E | I | 2180 | S | 205 | E | EDDY |

8. Pool Information

| | |
|-----------------------|-------|
| WILDCAT; WOLFCAMP GAS | 97489 |
|-----------------------|-------|

Additional Well Information

| | | | | |
|--|---|---------------------------|---|------------------------------------|
| 9. Work Type New Well | 10. Well Type GAS | 11. Cable/Rotary | 12. Lease Type Private | 13. Ground Level Elevation 3346 |
| 14. Multiple N | 15. Proposed Depth 5300 | 16. Formation Wolfcamp | 17. Contractor | 18. Spud Date |
| Depth to Ground water 50 | Distance from nearest fresh water well 800 | | Distance to nearest surface water > 1000 | |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 10300 _____ bbls Drilling Method: 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 | 1125 | 375 | 0 |
| Prod | 7.875 | 5.5 | 17 | 9350 | 750 | 0 |

Casing/Cement Program: Additional Comments

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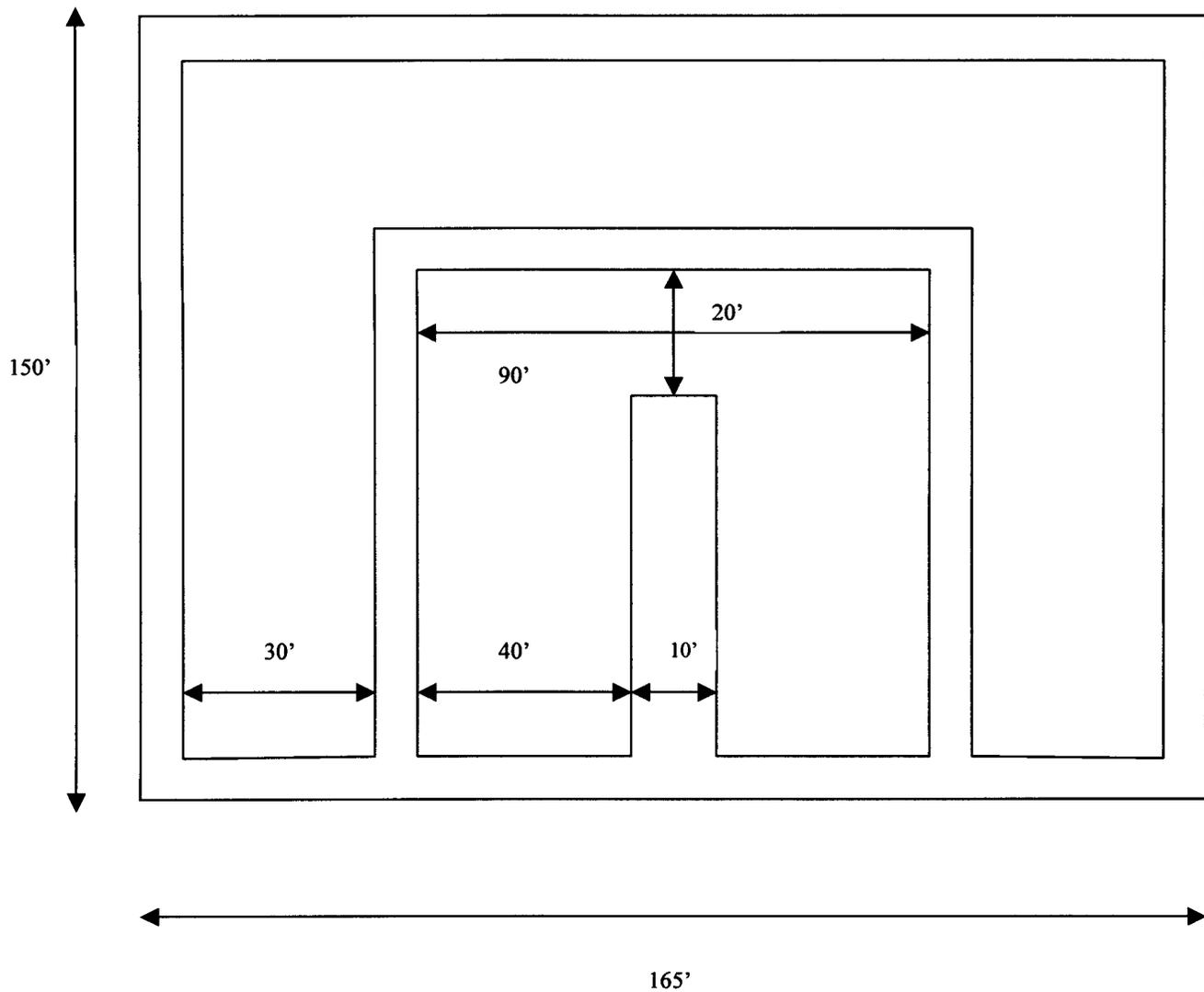
Proposed Blowout Prevention Program

| 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. 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 OCB-approved plan <input type="checkbox"/> . | OIL CONSERVATION DIVISION | |
| | Approved By: Bryan Arrant | |
| | Title: Geologist | |
| | Approved Date: 3/28/2007 | Expiration Date: 3/28/2008 |
| | Conditions of Approval Attached | |

Printed Name: Electronically filed by Donny Glanton
 Title: Sr. Lease Operations Rep
 Email Address: donny_glanton@eogresources.com
 Date: 3/26/2007 Phone: 432-686-3642

New Mexico Double Horseshoe Reserve Pit Design



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

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

Oil Conservation Division

**1220 S. St Francis Dr.
 Santa Fe, NM 87505**

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|---------------------------------------|---------------------------------------|
| 1. API Number 30-015-35506 | 2. Pool Code 97489 | 3. Pool Name WILDCAT; WOLFCAMP GAS |
| 4. Property Code 36417 | 5. Property Name ORINOCO B 8 FEE | 6. Well No. 001H |
| 7. OGRID No. 7377 | 8. Operator Name EOG RESOURCES INC | 9. Elevation 3346 |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Ltn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| I | 8 | 16S | 26E | | 2180 | S | 205 | E | EDDY |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot Ltn | Feet From | N/S Line | Feet From | E/W Line | County |
|-------------------------------|---------|---------------------|-------|------------------------|-----------|----------|---------------|----------|--------|
| L | 8 | 16S | 26E | L | 1880 | S | 660 | W | EDDY |
| 12. Dedicated Acres 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>OPERATOR CERTIFICATION</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 Title: Sr. Lease Operations Rep Date: 3/26/2007</p> |
| | <p>SURVEYOR CERTIFICATION</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 Date of Survey: 12/12/2006 Certificate Number: 15079</p> |

Permit Comments

Operator: EOG RESOURCES INC , 7377

Well: ORINOCO B 8 FEE #001H

API: 30-015-35506

| Created By | Comment | Comment Date |
|------------|--|--------------|
| dglanton | Plat, Detailed Casing, Mud, Cement, Drilling Plan and H2S letter will be forwarded via regular mail. | 3/26/2007 |

Permit Conditions of Approval

Operator: EOG RESOURCES INC , 7377

Well: ORINOCO B 8 FEE #001H

API: 30-015-35506

| 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 | A h2s well contingency plan is required providing a public dwelling lies within 1/2 mile of well bore. |
| BArrant | Please notify OCD time of spud and time to witness the cementing to surface of all strings of casing. |
| BArrant | A SD approval from Santa Fe is required providing another well produces from the same formation in the same proration unit. |