District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 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

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

Form C-101 August 1, 2011

Permit 182141

Distance to nearest surface water

| EOG | ne and Address RESOURCES IN | IC | | | | | | | 2. OGRI | ID Number 7377 | | | |
|------------------------|--------------------------------|----------------------|---------------------------|----------|---------------|--------------------|---------------------------|----------|---------------------------|------------------------|-------|--------|-----|
| | Box 2267 and, TX 79702 | | | | | | | | 3. APIN | lumber 30-025-4 | 1679 | | |
| 4. Property Cod 398 | | | 5. Property Name OPHEL | IA 27 | | | | | 6. Well | No. 004H | | | |
| | | | | | 7. Sur | face Location | | | | | | | |
| JL - Lot G | Section 27 | Township 26 | Range S | 33E | Lot Idn | Feet From 2420 | N/S Line N | Feet Fro | n 1520 | E/W Line | E | County | Lea |
| | | | | | 8. Proposed I | Bottom Hole Locat | tion | | | | | | |
| JL - Lot J | Section 22 | Township 26S | Range | 33E | Lot Idn J | Feet From 2410 | N/S Line S | Feet Fro | m 1370 | E/W Line | E | County | Lea |
| | | | | | 9. Poo | ol Information | | | | | | | |
| RED HILLS;U | IPPER BONE SPE | RING SHALE | | | | | | | | | 97900 |) | |
| | | | | | Additiona | I Well Information | | | | | | | |
| 1. Work Type New | / Well | 12. Well Type OIL | | 13. Cab | le/Rotary | 1 | 14. Lease Type Private | | | Level Elevation 284 | on | | |
| 16. Multiple | | 17. Proposed | Depth | 18. Forn | nation | 1 | 19. Contractor | | 20. Spud Date 9/1/2014 | | | | |

We will be using a closed-loop system in lieu of lined pits

Depth to Ground water

21. Proposed Casing and Cement Program

Distance from nearest fresh water well

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 54.5 | 875 | 500 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 4000 | 1000 | 0 |
| Int2 | 12.25 | 9.625 | 40 | 5100 | 1000 | 0 |
| Prod | 8.75 | 5.5 | 17 | 14514 | 2175 | 4600 |

Casing/Cement Program: Additional Comments

| 2 | 2. Pro | nosed | Blowout | Prevention | Program |
|---|--------|-------|---------|------------|---------|

| 22. Proposed Biowout Prevention Program | | | | | | | | |
|---|------------------|---------------|--------------|--|--|--|--|--|
| Туре | Working Pressure | Test Pressure | Manufacturer | | | | | |
| Double Ram | 3000 | 3000 | | | | | | |

| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable. | | | | OIL CONSERVATIO | N DIVISION | |
|---|---|---------------------|---------------------------------|-----------------|----------------------------|--|
| Signature: | | | 2 | | | |
| Printed Name: | Printed Name: Electronically filed by Stan Wagner | | | Paul Kautz | | |
| Title: | Regulatory Analyst | | Title: | Geologist | | |
| Email Address: | mail Address: Stan_Wagner@eogresources.com | | | 2/25/2014 | Expiration Date: 2/25/2016 | |
| Date: | 2/25/2014 | Phone: 432-686-3689 | Conditions of Approval Attached | | | |

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 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

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

Form C-102 August 1, 2011

Permit 182141

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1. API Number 30-025-41679 | 2. Pool Code 97900 | 3. Pool Name RED HILLS;UPPER BONE SPRING SHALE |
|-------------------------------|-----------------------|--|
| 4. Property Code | 5. Property Name | 6. Well No. |
| 39814 | OPHELIA 27 | 004H |
| 7. OGRID No. | 8. Operator Name | 9. Elevation |
| 7377 | EOG RESOURCES INC | 3284 |

10 Surface Location

| 10. Surface Location | | | | | | | | | |
|----------------------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| G | 27 | 26S | 33E | | 2420 | N | 1520 | E | Lea |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section 22 | Township 26S | Range 33E | Lot Idn | Feet From 2410 | N/S Line S | Feet From 1370 | E/W Line E | County Lea |
|---------------------------|------------|-----------------|---------------------|---------|------------------------|---------------|-------------------|---------------|---------------|
| 12. Dedicated Ac 160.0 | | | 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

| | OPERATOR CERTIFICATION 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 he 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. |
|---|---|
| | E-Signed By: Stan Wagner |
| | Title: Regulatory Analyst |
| • | Date: 2/25/2014 |
| | SURVEYOR CERTIFICATION 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 supervisi and that the same is true and correct to the best of my belief. |
| | Surveyed By: Michael Brown |
| | Date of Survey: 2/13/2014 |
| | Certificate Number: 18329 |

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 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

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

Permit 182141

Form APD Comments

PERMIT COMMENTS

| Operator Name and Address: | API Number: |
|----------------------------|------------------|
| EOG RESOURCES INC [7377] | 30-025-41679 |
| P.O. Box 2267 | Well: |
| Midland, TX 79702 | OPHELIA 27 #004H |

| Created By | Comment | Comment Date |
|------------|---------|--------------|

Form APD Conditions

District I
1625 N. French Dr., Hobbs, NM 88240
Phone;(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone;(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

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

Permit 182141

PERMIT CONDITIONS OF APPROVAL

| Operator Name and Address: | API Number: |
|----------------------------|------------------|
| EOG RESOURCES INC [7377] | 30-025-41679 |
| P.O. Box 2267 | Well: |
| Midland, TX 79702 | OPHELIA 27 #004H |

| OCD Reviewer | Condition |
|-----------------|--|
| DMULL | Will require a directional survey with the C-104 |
| DMULL | 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 |
| DMULL | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string |
| pkautz | 1) SURFACE & INTERNEMIATE CASING - Cement must circulate to surface 2) PRODUCTION CASING - Cement must tie back into intermediate casing |
| pkautz | Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water |