

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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

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 |
| 4. Property Code 39814 | | 3. API Number 30-025-41679 |
| 5. Property Name OPHELIA 27 | | 6. Well No. 004H |

7. 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 |

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| J | 22 | 26S | 33E | J | 2410 | S | 1370 | E | Lea |

9. Pool Information

| | |
|-----------------------------------|-------|
| RED HILLS;UPPER BONE SPRING SHALE | 97900 |
|-----------------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|-----------------------------|----------------------------------------|---------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type Private | 15. Ground Level Elevation 3284 |
| 16. Multiple N | 17. Proposed Depth 14514 | 18. Formation Bone Spring | 19. Contractor | 20. Spud Date 9/1/2014 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

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

21. Proposed Casing and Cement Program

| 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

| |
|--|
| |
|--|

22. Proposed Blowout Prevention Program

| | | | |
|------------|------------------|---------------|--------------|
| Type | 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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: | OIL CONSERVATION DIVISION |
| Printed Name: Electronically filed by Stan Wagner | Approved By: Paul Kautz |
| Title: Regulatory Analyst | Title: Geologist |
| Email Address: Stan_Wagner@eogresources.com | Approved Date: 2/25/2014 Expiration Date: 2/25/2016 |
| Date: 2/25/2014 Phone: 432-686-3689 | Conditions of Approval Attached |

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1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 478-3470 Fax:(505) 478-3462

Permit 182141

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Energy, Minerals and Natural Resources
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Santa Fe, NM 87505

Form APD Comments

Permit 182141

PERMIT COMMENTS

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

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

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Form APD Conditions

Permit 182141

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PERMIT CONDITIONS OF APPROVAL

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