

Stogner, Michael

From: Stogner, Michael
Sent: Thursday, April 29, 2004 5:43 PM
To: William F. Carr (E-mail)
Cc: Williams, Chris
Subject: EOG's proposed Lusk Federal #2



Re: Your administrative application (reference No. pMES0-408631091) dated March 24, 2004 for EOG's proposed Lusk "23" Federal well No. 2 to be directionally drilled from a surface location 330' FS & EL (P) of Sec. 23-T19S-R32E to an unorthodox BHL 500' FS & EL of sec. 23.

Please provide me a proposed directional drilling plan for this well and show the depths and projected intersection subsurface locations for:

- (1) the top of the Morrow formation;
- (2) Base of the Morrow formation;
- (3) top of the Mississippian-Chester interval; and
- (4) the total depth of the well at 500' FS & EL of Sec. 23.

Thanks.

HOLLAND & HART LLP



William F. Carr
wcarr@hollandhart.com

May 6, 2004

RECEIVED

VIA HAND DELIVERY

MAY - 6 2004

Mr. Michael E. Stogner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

**Re: Administrative Application for Unorthodox Well Location
Lusk "23" Federal Well No. 2
E/2 of Section 23, Township 19 South, Range 32 East, NMPM
Lea County, New Mexico.**

Dear Mr. Stogner:

Pursuant to your request of April 29, 2004, enclosed is a well prognosis for the above-referenced well which lists the anticipated tope for all formations expected to be encountered, including the Morrow, Lower Morrow and Mississippian formations. Also enclosed is the directional drilling plan for the well which shows that this well will be a minimum of 500 feet from the South and East lines of said Section 23 when it encounters the Strawn formation.

If you have additional questions concerning this matter, please advise.

Very truly yours,

William F. Carr

Enclosures

cc: Mr. Mike Mullins
EOG Resources, Inc.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

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Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ♻

**Well Prognosis/Well Plan
EOG RESOURCES, INC.
MIDLAND Printed:05/03/2004**

Well Name
LUSK 23 FEDERAL #2

Date Originated
01/12/2004

Confidential

Status/Status Date
PRELIMINARY / 03/31/2004

Prospect
LUSK

County/State
LEA / NEW MEXICO

TVD(KB)/MD
13700 / 13700

Mud Logger Start Depth
5000'

Class
DEVELOPMENT

KB (Est/Act)
3,610 / 3,589

BH Offset (ft.)

Azimuth(degrees) **Kickoff Point(ft.)**

Squid Date

Reference Wells
GRACE PET. WEST TONTO FED. COM. #1, 1990' N & E
OF PROP. LOC.

Casing Program

Geologist Name
KEITH WILLIAMS

Landman Name
MIKE MULLINS

Surface Location:

Section 23-T19S-R32E, 330 FSL & 330 FEL

BH Locations

Sidetrack Name	Location Description
ORIGINAL WELL	Section 23-T19S-R32E, 500 FSL & 500 FEL

Formations: ORIGINAL WELL

Formation	SSD	TVD (KB)	MD	Ob.	Thickness	Lithology	Stimulation	Oil	Gas	Wat
RUSTLER	2,545	1,065	1,065							
SALADO	1,100	2,510	2,510			TOP SALT				
YATES	705	2,905	2,905			SANDSTONE				
DELAWARE	-1,550	5,160	5,160			SANDSTONE		Y	Y	
BONE SPRING	-4,018	7,628	7,628	S		LIMESTONE		Y	Y	
2ND BONE SPRING SAND	-5,775	9,385	9,385			SANDSTONE				
WOLFCAMP	-7,300	10,910	10,910	S	20	LIMESTONE		Y	Y	
STRAWN	-8,400	12,010	12,010			LIMESTONE				
ATOKA	-8,640	12,250	12,250	S	25	SANDSTONE			Y	
MORROW	-9,100	12,710	12,710	S		LIMESTONE				
LOWER MORROW	-9,800	13,410	13,410	P	30	SANDSTONE			Y	
BARNETT	-9,975	13,585	13,585			SHALE				
MISSISSIPPIAN LIME	-10,050	13,660	13,660			LIMESTONE				

Known Problems

Nearest deep well to east in section 24 encountered lost circulation in Yates-7 Rivers at 3770'. Is an SWD well also through the Y-7R section about 1.25 miles to ne of prop. loc. in section 24.

Distance to Nearest Well, Same Reservoir

Not currently active but was the Grace west Tonto Fed. Com. No. 1 ~1990' to ne. EOGR Lusk "26" ~3900' due south.

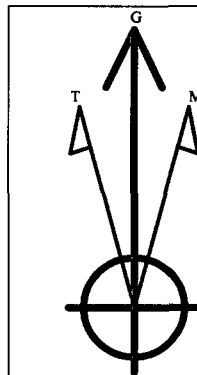
eog resources inc

Planning Report

[illegible]

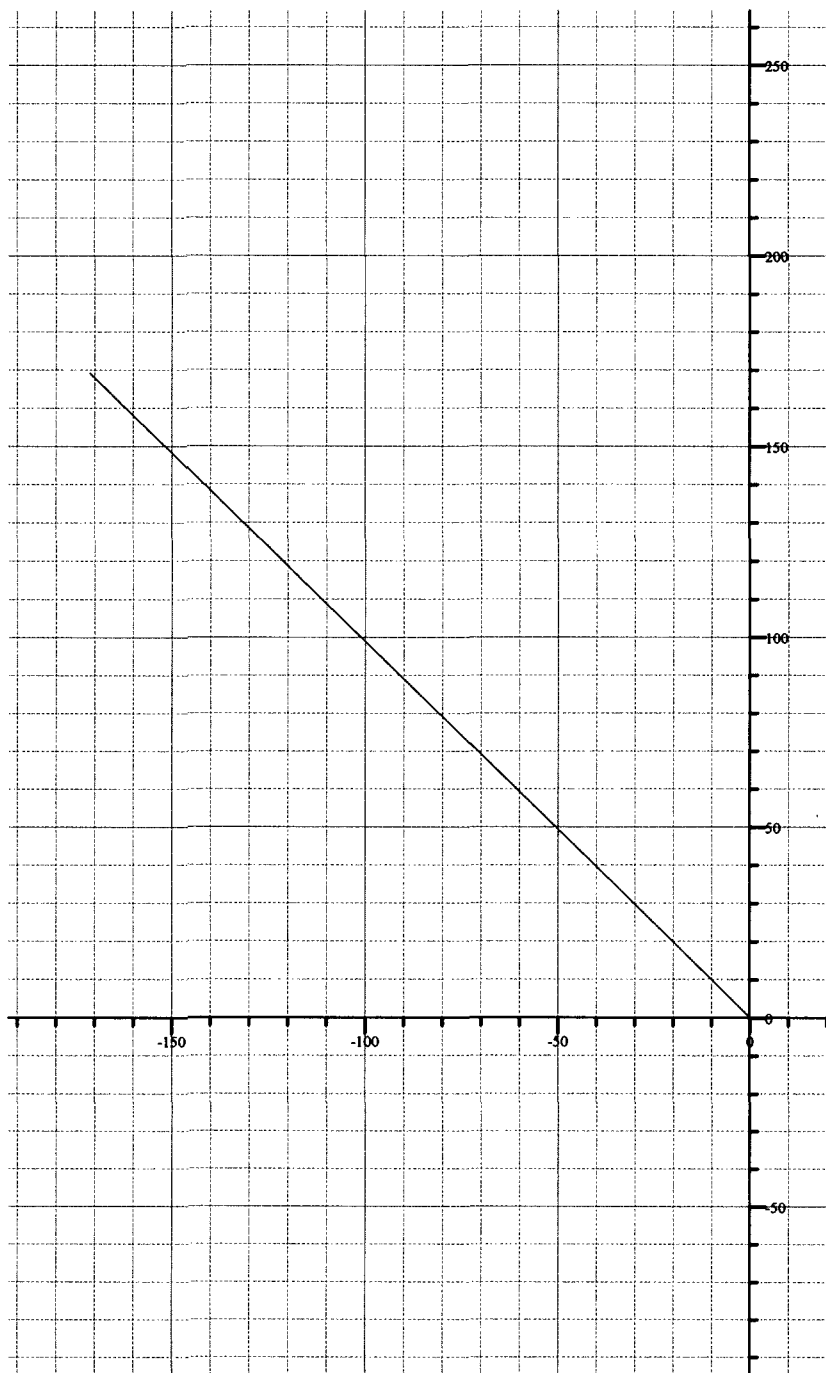


Field: Atoka/Morrow
 Site: Lusk "23" Fed No. 2
 Well: Lusk "23" Fed No. 2
 Wellpath: Original Openhole
 Plan: Plan #1



Azimuths to Grid North
 True North: -0.33°
 Magnetic North: 8.39°

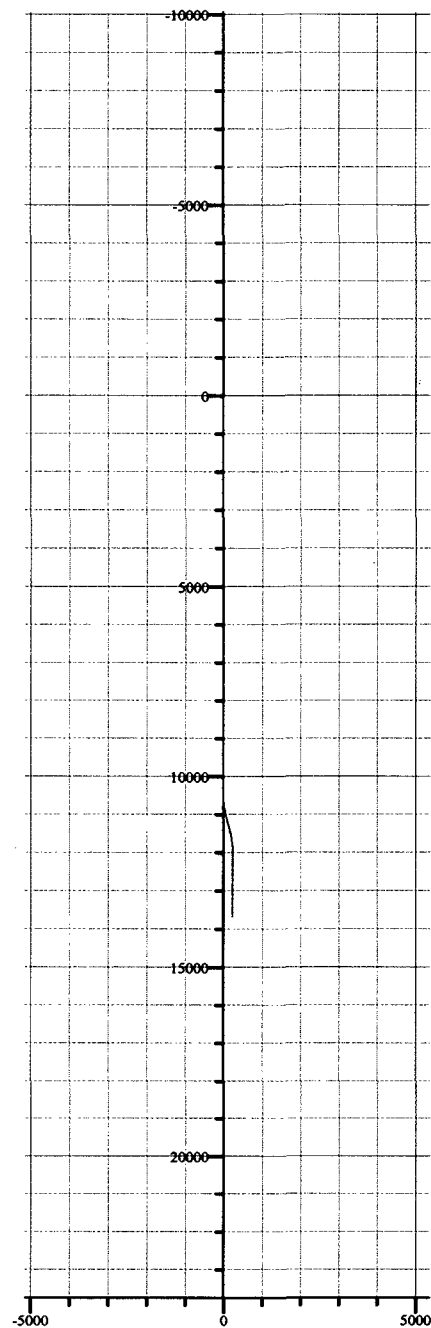
Magnetic Field
 Strength: 49735nT
 Dip Angle: 60.80°
 Date: 5/3/2004
 Model: igr2000



West(-)/East(+) [500ft/in]

South(-)/North(+) [500ft/in]

True Vertical Depth [5000ft/in]



Vertical Section at 314.66° [5000ft/in]