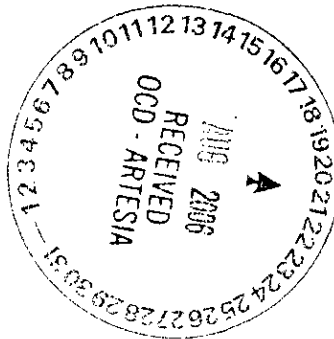




EOG Resources, Inc.
P.O. Box 2267
Midland, TX 79702
(432) 686-3600

August 17, 2006

30-015-35101

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

To Whom It May Concern:

I am writing to request a waiver for the inclusion of an H₂S Contingency Plan for the Gila B 2 Fee #2H. The current plan is to complete this well in the Wolfcamp, which is sweet, and I do not anticipate encountering any H₂S bearing formations during drilling operations.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason LaGrega".

Jason LaGrega
Drilling Engineer

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION

API Number	Pool Code 75260	Pool Name COTTONWOOD CREEK; WC, WEST (GAS)
Property Code	Property Name GILA "B" 2 FEE	Well Number 2H
OGRID No. 7377	Operator Name EOG RESOURCES, INC.	Elevation 3568'

Surface Location

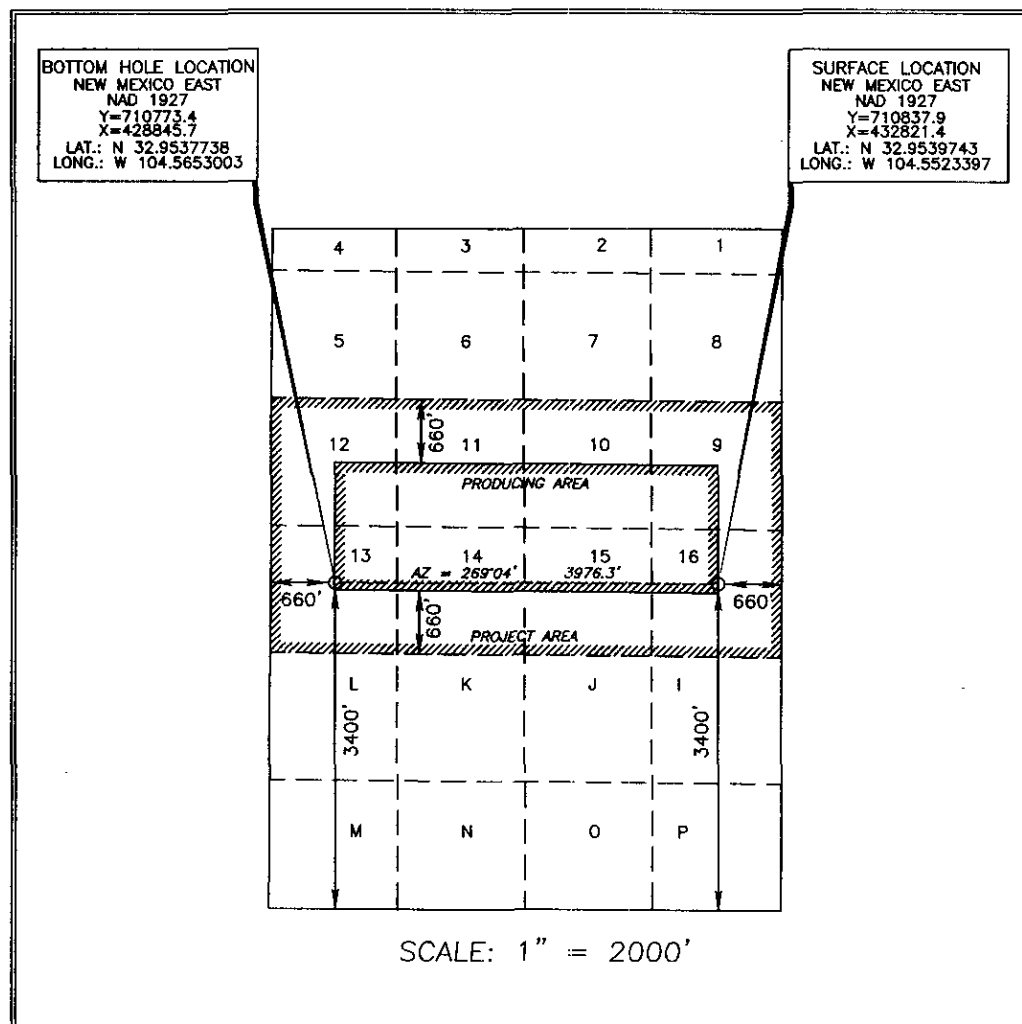
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
16	2	16 SOUTH	24 EAST, N.M.P.M.		3400	SOUTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
13	2	16 SOUTH	24 EAST, N.M.P.M.		3400	SOUTH	660	WEST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	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 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.

Donny G. Glanton 8/15/06
Signature Date

Donny G. Glanton
Printed Name

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 supervision, and that the same is true and correct to the best of my belief.

Terry A. Paul 8/11/06
Date of Survey Professional Surveyor
15079

Terry A. Paul 8/11/06
Certificate Number 15079

WO# 060725WL-C (JL)

Permit Information:

Well Name: Gila B 2 Fee #2H

Location:

SL 3400' FSL & 660' FEL, Section 2, T-16-S, R-24-E, Eddy Co., N.M.

BHL 3400' FSL & 660' FWL, Section 2, T-16-S, R-24-E, Eddy Co., N.M.

Casing Program:

Casing	Setting Depth	Hole Size	Casing Size	Casing Weight	Casing Grade	Desired TOC
Surface	900'	12-1/4"	8-5/8"	32#	J-55	Surface
Production	8,420'	7-7/8"	5 1/2"	17#	N-80	Surface

Cement Program:

Depth	No. Sacks	Slurries:
900'	150	Lead: Premium Plus + 2% CaCl ₂ + 3% Econolite + 1/4 pps Flocele
	175	Tail: Premium Plus + 2% CaCl ₂ + 1/4 pps Flocele
8,420'	400	Lead: Interfill C + 1/4 pps Flocele
	300	Tail: Premium Cement + 100% Acid Soluble Additive + 0.6% Halad®-344 + 0.8% Econolite + 0.2% HR-55

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 900'	Fresh - Gel	8.6-8.8	28-34	N/c
900' – 4,400'	Cut Brine	8.8-9.2	28-34	N/c
4,400' – 5,100'	Cut Brine	8.8-9.2	28-34	10-15
4,168' – 8,420'	Polymer (Lateral)	9.0-9.4	40-45	10-25

Planning Report

Database:	EDM	Local Co-ordinate Reference:	Well Gila B 2 Fee #2H
Company:	EOG - Midland (3)	TVD Reference:	WELL @ 3586.0ft (Original Well Elev)
Project:	Thames	MD Reference:	WELL @ 3586.0ft (Original Well Elev)
Site:	Gila B 2 Fee #2H	North Reference:	Grid
Well:	Gila B 2 Fee #2H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Gila B 2 Fee #2H		
Design:	Plan #1		

Project	Thames		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Ground Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Gila B 2 Fee #2H				
Site Position:		Northing:	710,837.90 ft	Latitude:	32° 57' 14.308 N
From:	Map	Easting:	432,821.40 ft	Longitude:	104° 33' 8.423 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	-0.12 °

Well	Gila B 2 Fee #2H					
Well Position	+N/-S	0.0 ft	Northing:	710,837.90 ft	Latitude:	32° 57' 14.308 N
	+E/-W	0.0 ft	Easting:	432,821.40 ft	Longitude:	104° 33' 8.423 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	ft	Ground Level:	3,568.0 ft

Wellbore	Gila B 2 Fee #2H				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2005	8/17/2006	8.64	60.79	49,383

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	4,582.0	0.0	0.0	269.07

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,168.0	0.00	0.00	4,168.0	0.0	0.0	0.00	0.00	0.00	0.00	
4,925.1	90.00	269.07	4,650.0	-7.8	-481.9	11.89	11.89	0.00	269.07	
6,443.1	90.00	269.07	4,650.0	-32.5	-1,999.7	0.00	0.00	0.00	0.00	
6,509.9	92.00	269.07	4,648.8	-33.5	-2,066.5	3.00	3.00	0.00	0.03	
8,420.4	92.00	269.07	4,582.0	-64.5	-3,975.5	0.00	0.00	0.00	0.00	
8,420.5	92.00	269.07	4,582.0	-64.5	-3,975.7	3.00	-2.92	-0.70	-166.45	BHL (Gila B #2H)

Planning Report

Database: EDM
Company: EOG - Midland (3)
Project: Thames
Site: Gila B 2 Fee #2H
Well: Gila B 2 Fee #2H
Wellbore: Gila B 2 Fee #2H
Design: Plan #1

Local Co-ordinate Reference: Well Gila B 2 Fee #2H
TVD Reference: WELL @ 3586.0ft (Original Well Elev)
MD Reference: WELL @ 3586.0ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,168.0	0.00	0.00	4,168.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	3.80	269.07	4,200.0	0.0	-1.1	1.1	11.89	11.89	0.00
4,300.0	15.69	269.07	4,298.4	-0.3	-18.0	18.0	11.89	11.89	0.00
4,400.0	27.58	269.07	4,391.1	-0.9	-54.8	54.8	11.89	11.89	0.00
4,500.0	39.47	269.07	4,474.4	-1.8	-109.9	109.9	11.89	11.89	0.00
4,600.0	51.35	269.07	4,544.4	-2.9	-181.0	181.0	11.89	11.89	0.00
4,700.0	63.24	269.07	4,598.4	-4.3	-264.9	265.0	11.89	11.89	0.00
4,800.0	75.13	269.07	4,633.9	-5.8	-358.2	358.3	11.89	11.89	0.00
4,900.0	87.01	269.07	4,649.3	-7.4	-456.8	456.9	11.89	11.89	0.00
4,925.1	90.00	269.07	4,650.0	-7.8	-481.9	482.0	11.89	11.89	0.00
5,000.0	90.00	269.07	4,650.0	-9.0	-556.8	556.9	0.00	0.00	0.00
5,100.0	90.00	269.07	4,650.0	-10.7	-656.8	656.9	0.00	0.00	0.00

Planning Report

Database: EDM
Company: EOG - Midland (3)
Project: Thames
Site: Gila B 2 Fee #2H
Well: Gila B 2 Fee #2H
Wellbore: Gila B 2 Fee #2H
Design: Plan #1

Local Co-ordinate Reference: Well Gila B 2 Fee #2H
TVD Reference: WELL @ 3586.0ft (Original Well Elev)
MD Reference: WELL @ 3586.0ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,200.0	90.00	269.07	4,650.0	-12.3	-756.8	756.9	0.00	0.00	0.00
5,300.0	90.00	269.07	4,650.0	-13.9	-856.8	856.9	0.00	0.00	0.00
5,400.0	90.00	269.07	4,650.0	-15.5	-956.8	956.9	0.00	0.00	0.00
5,500.0	90.00	269.07	4,650.0	-17.2	-1,056.7	1,056.9	0.00	0.00	0.00
5,600.0	90.00	269.07	4,650.0	-18.8	-1,156.7	1,156.9	0.00	0.00	0.00
5,700.0	90.00	269.07	4,650.0	-20.4	-1,256.7	1,256.9	0.00	0.00	0.00
5,800.0	90.00	269.07	4,650.0	-22.0	-1,356.7	1,356.9	0.00	0.00	0.00
5,900.0	90.00	269.07	4,650.0	-23.6	-1,456.7	1,456.9	0.00	0.00	0.00
6,000.0	90.00	269.07	4,650.0	-25.3	-1,556.7	1,556.9	0.00	0.00	0.00
6,100.0	90.00	269.07	4,650.0	-26.9	-1,656.7	1,656.9	0.00	0.00	0.00
6,200.0	90.00	269.07	4,650.0	-28.5	-1,756.6	1,756.9	0.00	0.00	0.00
6,300.0	90.00	269.07	4,650.0	-30.1	-1,856.6	1,856.9	0.00	0.00	0.00
6,400.0	90.00	269.07	4,650.0	-31.8	-1,956.6	1,956.9	0.00	0.00	0.00
6,443.1	90.00	269.07	4,650.0	-32.5	-1,999.7	2,000.0	0.00	0.00	0.00
6,500.0	91.71	269.07	4,649.2	-33.4	-2,056.6	2,056.9	3.00	3.00	0.00
6,509.9	92.00	269.07	4,648.8	-33.5	-2,066.5	2,066.8	3.00	3.00	0.00
6,600.0	92.00	269.07	4,645.7	-35.0	-2,156.5	2,156.8	0.00	0.00	0.00
6,700.0	92.00	269.07	4,642.2	-36.6	-2,256.4	2,256.7	0.00	0.00	0.00
6,800.0	92.00	269.07	4,638.7	-38.2	-2,356.4	2,356.7	0.00	0.00	0.00
6,900.0	92.00	269.07	4,635.2	-39.9	-2,456.3	2,456.6	0.00	0.00	0.00
7,000.0	92.00	269.07	4,631.7	-41.5	-2,556.2	2,556.6	0.00	0.00	0.00
7,100.0	92.00	269.07	4,628.2	-43.1	-2,656.2	2,656.5	0.00	0.00	0.00
7,200.0	92.00	269.07	4,624.7	-44.7	-2,756.1	2,756.4	0.00	0.00	0.00
7,300.0	92.00	269.07	4,621.2	-46.3	-2,856.0	2,856.4	0.00	0.00	0.00
7,400.0	92.00	269.07	4,617.7	-48.0	-2,955.9	2,956.3	0.00	0.00	0.00
7,500.0	92.00	269.07	4,614.2	-49.6	-3,055.9	3,056.3	0.00	0.00	0.00
7,600.0	92.00	269.07	4,610.7	-51.2	-3,155.8	3,156.2	0.00	0.00	0.00
7,700.0	92.00	269.07	4,607.2	-52.8	-3,255.7	3,256.1	0.00	0.00	0.00
7,800.0	92.00	269.07	4,603.7	-54.4	-3,355.6	3,356.1	0.00	0.00	0.00
7,900.0	92.00	269.07	4,600.2	-56.1	-3,455.6	3,456.0	0.00	0.00	0.00
8,000.0	92.00	269.07	4,596.7	-57.7	-3,555.5	3,556.0	0.00	0.00	0.00
8,100.0	92.00	269.07	4,593.2	-59.3	-3,655.4	3,655.9	0.00	0.00	0.00
8,200.0	92.00	269.07	4,589.7	-60.9	-3,755.3	3,755.8	0.00	0.00	0.00
8,300.0	92.00	269.07	4,586.2	-62.5	-3,855.3	3,855.8	0.00	0.00	0.00
8,400.0	92.00	269.07	4,582.7	-64.2	-3,955.2	3,955.7	0.00	0.00	0.00
8,420.4	92.00	269.07	4,582.0	-64.5	-3,975.5	3,976.1	0.00	0.00	0.00
8,420.5	92.00	269.07	4,582.0	-64.5	-3,975.7	3,976.2	3.00	-2.92	-0.70

Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
BHL (Gila B #2H)	0.00	0.00	4,582.0	-64.5	-3,975.7	710,773.40	428,845.70	32° 57' 13.585 N	104° 33' 55.081 W
- hit/miss target									
- Shape									
- plan hits target									
- Point									

SITE DETAILS: Gila B 2 Fee #2H

Site Centre Northing: 710837.90
Easting: 432821.40

Positional Uncertainty: 0.0
Convergence: -0.12
Local North: Grid

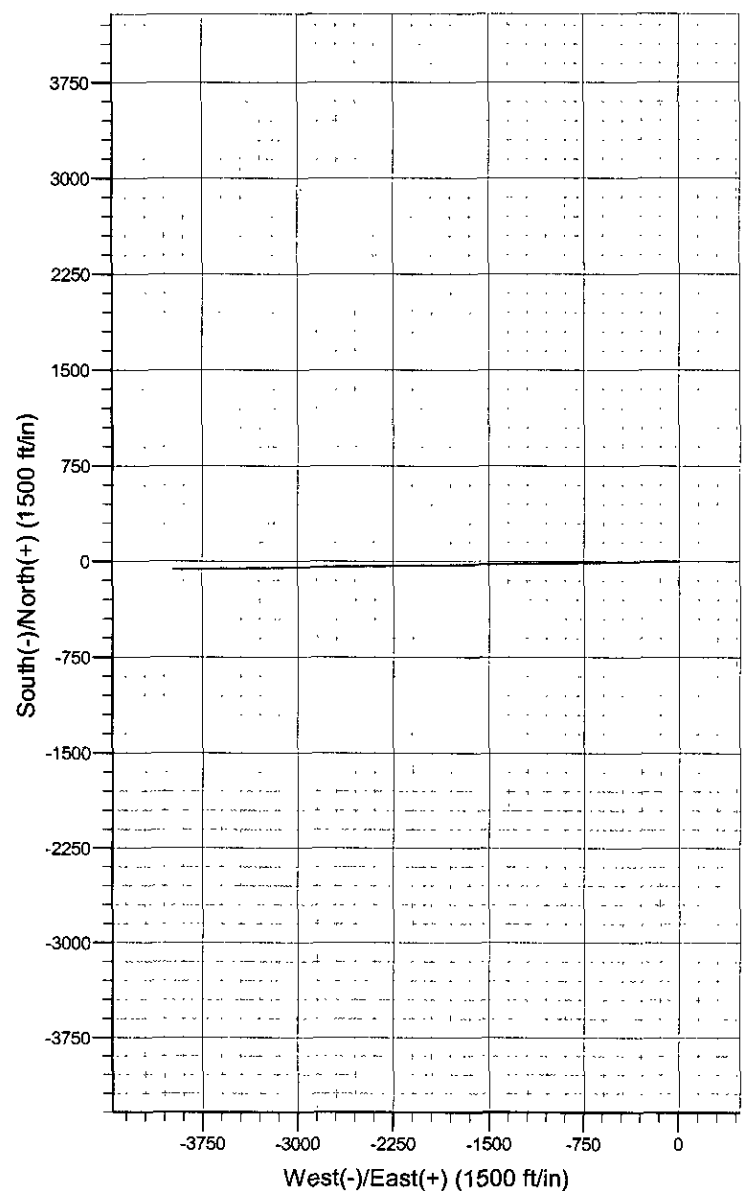
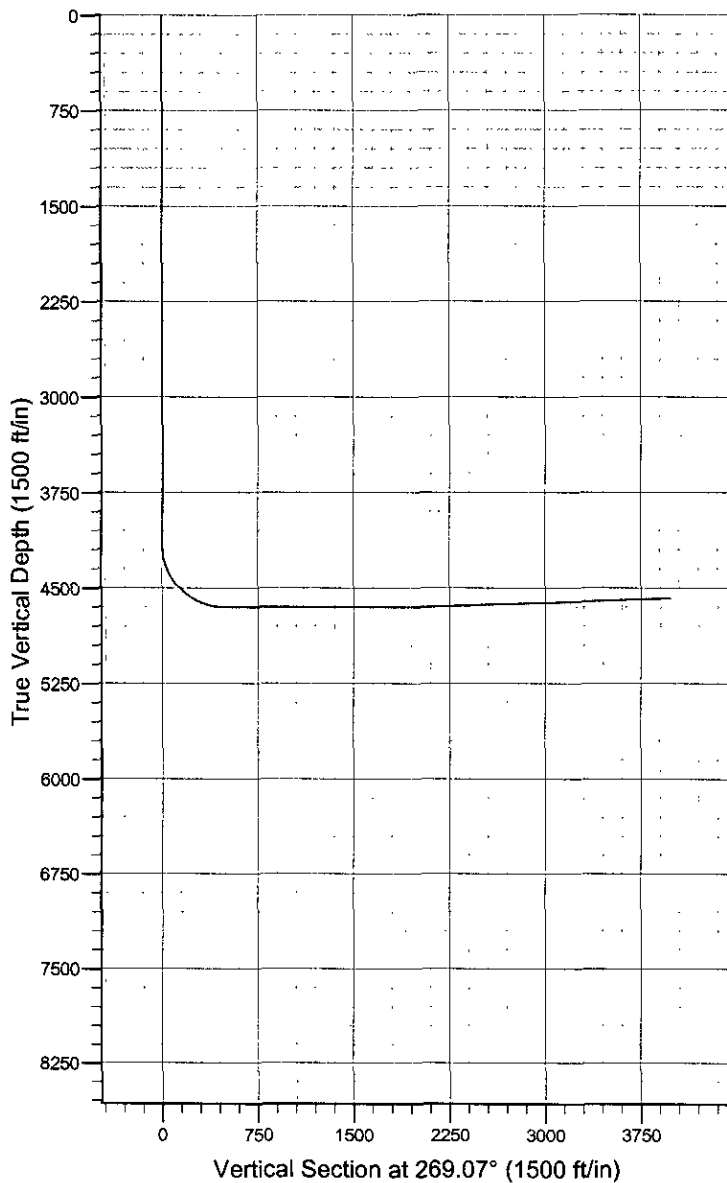
PROJECT DETAILS: Thames

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001

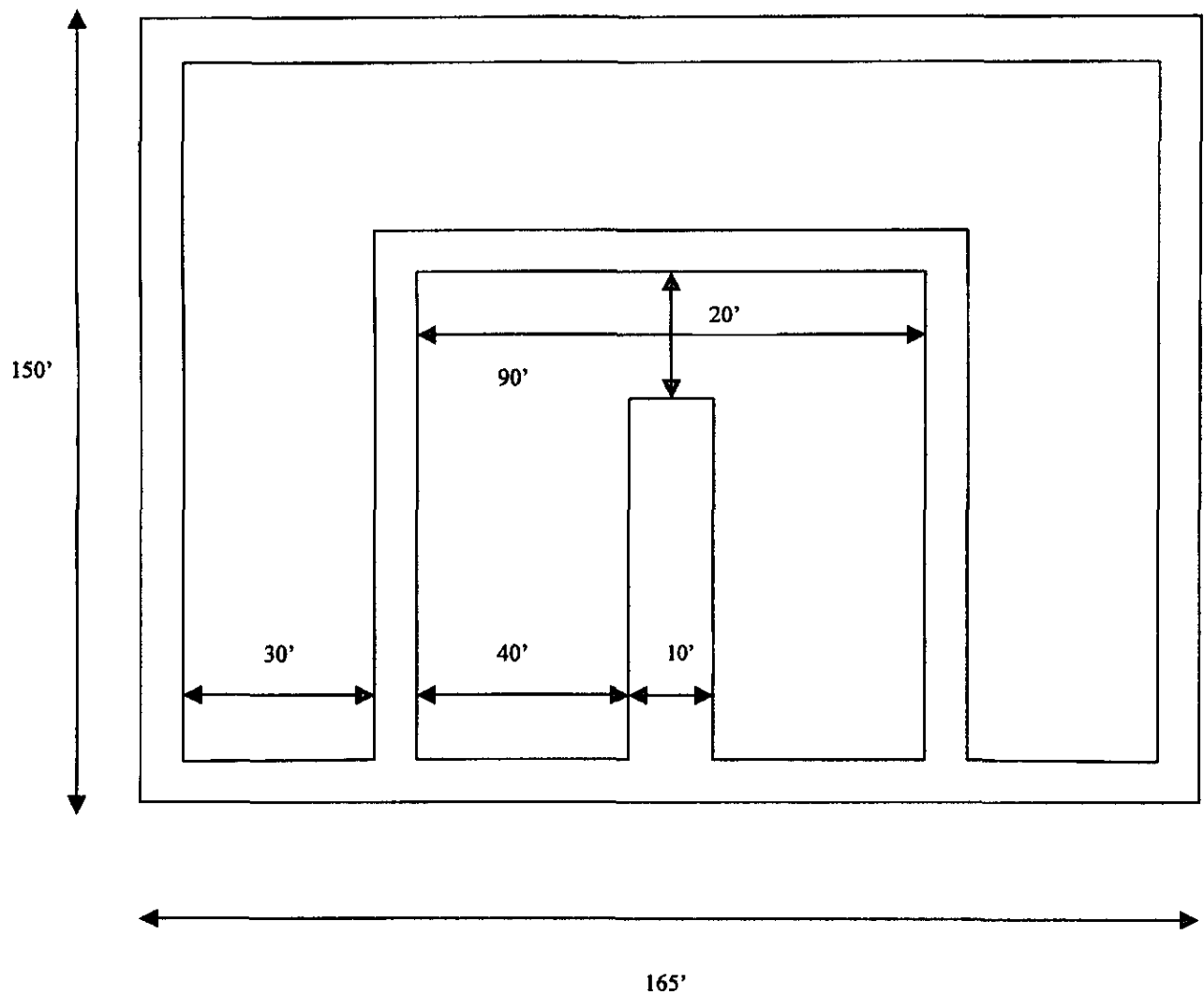
System Datum: Ground Level

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
4168.0	0.00	0.00	4168.0	0.0	0.0	0.00	0.00	0.0	
4925.1	90.00	269.07	4650.0	-7.8	-481.9	11.89	269.07	482.0	
6443.1	90.00	269.07	4650.0	-32.5	-1999.7	0.00	0.00	2000.0	
6509.9	92.00	269.07	4648.8	-33.5	-2066.5	3.00	0.03	2066.8	
8420.4	92.00	269.07	4582.0	-64.5	-3975.5	0.00	0.00	3976.1	
8420.5	92.00	269.07	4582.0	-64.5	-3975.7	3.00	166.45	3976.2	BHL (Gila B #2H)



New Mexico Double Horseshoe Reserve Pit Design



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