

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

FORM APPROVED
OMB NO. 1004-0137
Expires October 31, 2014

JUN 01 2015

OCD Hobbs

RECEIVED

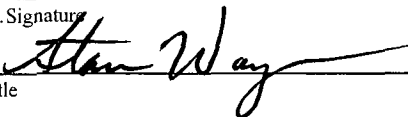
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work ☒ DRILL ☐ REENTER		7. Unit or CA Agreement Name and No.	
1b. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		8. Lease Name and Well No. Pegasus 34 Fed 1H (314876)	
2. Name of Operator EOG Resources, Inc. (7377)		9. API Well No. 30-025-42601 (96603)	
3a. Address P.O. Box 2267 Midland, TX 79702		10. Field and Pool, or Exploratory TRISTE DRAW-BOWE SPRING	
3b. Phone No. (include area code) 432-686-3689		11. Sec., T., R., M., or Blk. and Survey or Area Sec 34, T23S, R32E	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 230' FSL & 1272' FEL, SESE (P), Sec 34, T23S, R32E At proposed prod. zone 230' FSL & 1964' FEL, SWSE (O), 3-24S-32E Non-Standard Location			
14. Distance in miles and direction from nearest town or post office* Approximately +/- 28 miles Northwest from Jal, NM		12. County or Parish Lea	13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. 230' OL, 330' PP (Also to nearest drg. unit line, if any)	16. No. of Acres in lease 599	17. Spacing Unit dedicated to this well 160 ac.	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1320' from 2H	19. Proposed Depth 16015' MD, 11030 TVD	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3623' GL	22. Approximate date work will start* 01/01/2015	23. Estimated duration 25 days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM |

25. Signature 	Name (Printed/Typed) Stan Wagner	Date 6/23/14
Title Regulatory Analyst		
Approved by (Signautre) /s/George MacDonald	Name (Printed/Typed)	Date MAY 26 2015
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

Carlsbad Controlled Water Basin

Approval Subject to General Requirements
& Special Stipulations Attached

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

JUN 03 2015

EOG RESOURCES, INC.
PEGASUS 34 FED NO. 1H

HOBBS OCD

JUN 01 2015

RECEIVED

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1,170'
Top of Salt	1,480'
Base of Salt / Top Anhydrite	4,660'
Base Anhydrite	4,890'
Lamar	4,890'
Bell Canyon	4,920'
Cherry Canyon	5,755'
Brushy Canyon	7,060'
Bone Spring Lime	8,710'
1 st Bone Spring Sand	9,856'
2 nd Bone Spring Carb	10,140'
2 nd Bone Spring Sand	10,520'
TD	11,030'

3. ESTIMATED DEPTHS OF ANTICIPATED FRESH WATER, OIL OR GAS:

Upper Permian Sands	0- 400'	Fresh Water
Cherry Canyon	5,755'	Oil
Brushy Canyon	7,060'	Oil
Bone Spring Lime	8,710'	Oil
2 nd Bone Spring Sand	10,520'	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 13.375" casing at 1,195' and circulating cement back to surface.

See COA

4. CASING PROGRAM - NEW

See COA

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
17.5"	0 - 1,195'	13.375"	54.5#	J55	STC	1.125	1.25	1.60
12.25"	0-3,700'	9.625"	40#	J55	LTC	1.125	1.25	1.60
12.25"	3,700' - 4,700'	9.625"	40#	HCK55	LTC	1.125	1.25	1.60
8.75"	0'-16,015'	5.500"	17#	P110 or HCP110	LTC	1.125	1.25	1.60

**EOG RESOURCES, INC.
PEGASUS 34 FED NO. 1H**

Cementing Program:

Depth	No. Sacks	Wt. lb/gal	Yld Ft ³ /ft	Mix Water Gal/sk	Slurry Description
13-3/8" 1,195'	600	13.5	1.73	9.13	Lead: Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ surface)
	300	14.8	1.34	6.34	Tail: Class C + 0.005 pps Static Free + 2% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
9-5/8" 4,700'	800	12.7	2.22	12.38	Lead: Class 'C' + 1.50% R-3 + 0.25 lb/sk Cello-Flake + 2.0% Sodium Metasilicate + 10% Salt + 0.005 lb/sk Static Free (TOC @ surface)
	200	14.8	1.32	6.33	Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
5-1/2" 16,015'	400	10.8	3.67	21.7	Lead: 60:40:0 Class 'C' + 15.00 lb/sk BA-90 + 4.00% MPA-5 + 3.00% SMS + 5.00% A-10 + 1.00% BA-10A + 0.80% ASA-301 + 2.90% R-21 + 8.00 lb/sk LCM-1 + 0.005 lb/sk Static Free (TOC @ 4200')
	550	11.8	2.38	13.25	Middle: 50:50:10 Class 'H' + 0.80% FL-52 + 0.45% ASA-301 + 0.40% SMS + 2.00% Salt + 3.00 lb/sx LCM-1 + 0.20% R-21 + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free
	1425	14.2	1.28	5.75	Tail: 50:50:2 Class 'H' + 0.65% FL-52 + 0.20% CD-32 + 0.15% SMS + 2.00% Salt + 0.10% R-3 + 0.005 lb/sk Static Free

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

See COA

Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line).

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

See COA

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes. *X See COA*

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/ 250 psig and the annular preventer to 5000/ 250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

EOG RESOURCES, INC.
PEGASUS 34 FED NO. 1H

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

*See
COA*

A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal.

The applicable depths and properties of the drilling fluid systems are as follows.

*See
COA*

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 - 1,195'	Fresh Water Gel	8.6-8.8	28-34	N/c
1,195' - 4,700'	Saturated Brine	10.0-10.2	28-34	N/c
4,700' - 10,572'	Fresh Water	8.4-8.6	28-34	N/c
10,572' - 16,015' Lateral	Cut Brine Water	9.0-9.5	28-34	N/c

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

7. AUXILIARY WELL CONTROL AND MONITORING EQUIPMENT:

- (A) A kelly cock will be kept in the drill string at all times.
- (B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
- (C) H₂S monitoring and detection equipment will be utilized from surface casing point to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

** See COA*

*See
COA*

Open-hole logs are not planned for this well.

GR-CCL Will be run in cased hole during completions phase of operations.

**EOG RESOURCES, INC.
PEGASUS 34 FED NO. 1H**

**9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND
POTENTIAL HAZARDS:**

The estimated bottom-hole temperature (BHT) at TD is 168 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 4776 psig. No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. No major loss circulation zones have been reported in offsetting wells.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

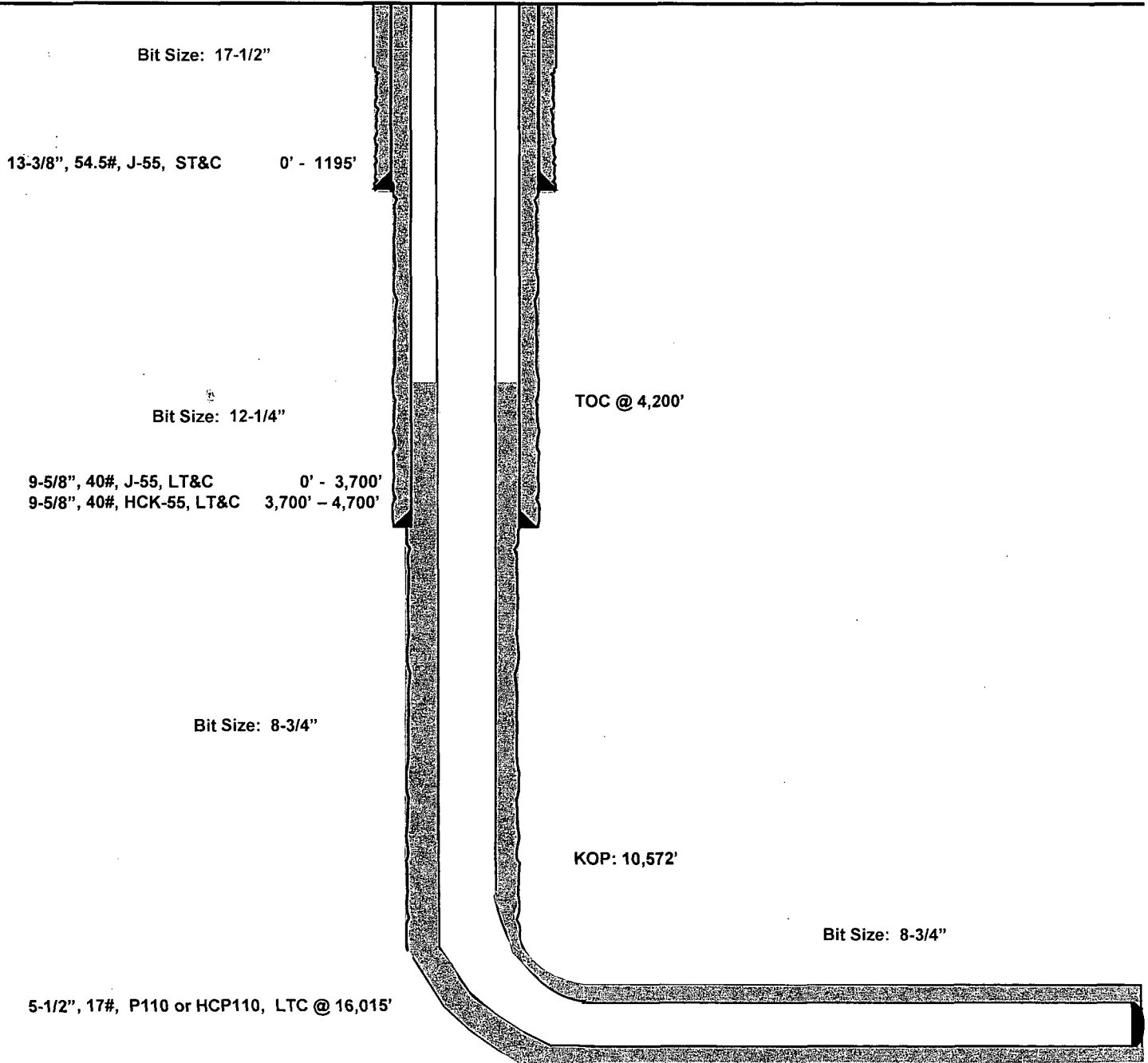
The drilling operation should be finished in approximately one month. If the well is productive, an additional 60-90 days will be required for completion and testing before a decision is made to install permanent facilities.

**Pegasus 34 Fed #1H
Lea County, New Mexico
Proposed Wellbore**

**230' FSL
1272' FEL
Section 34
T-23-S, R-32-E**

API: 30-025-*****

**KB: 3,653'
GL: 3,623'**



Lateral:
16,015' MD, 11,030' TVD
Upper Most Perf:
330' FNL & 1964' FEL
Lower Most Perf:
330' FSL & 1964' FEL
BH Location: 230' FSL & 1964' FEL
Section 3
T-24-S, R-32-E



Lea County, NM
Pegasus 34 Fed #1H
3623' GL + 30' KB
Plan #1

PROJECT DETAILS: Lea County, NM

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

WELL DETAILS: Pegasus 34 Fed #1H

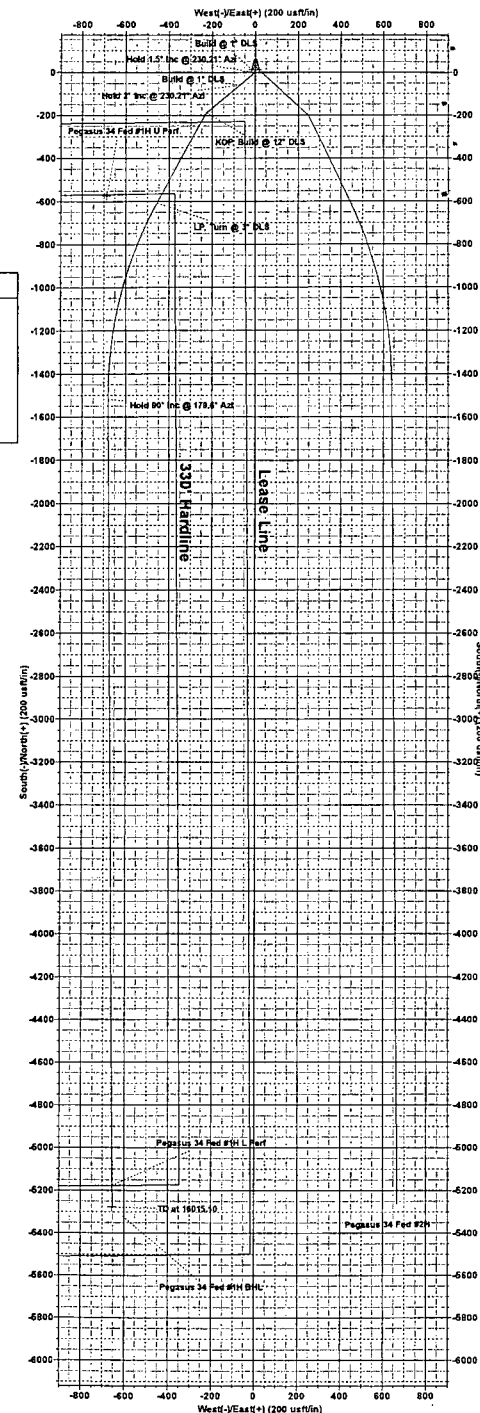
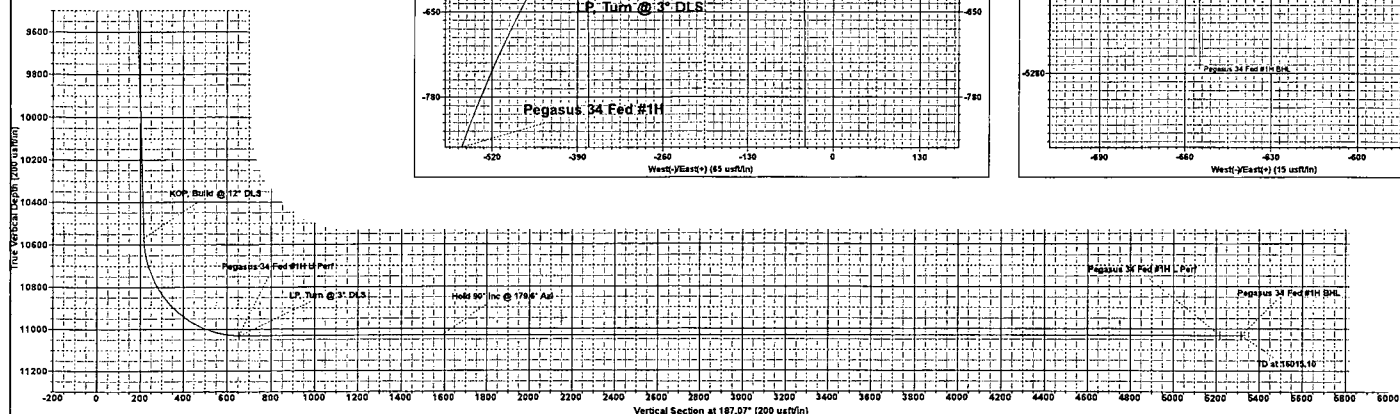
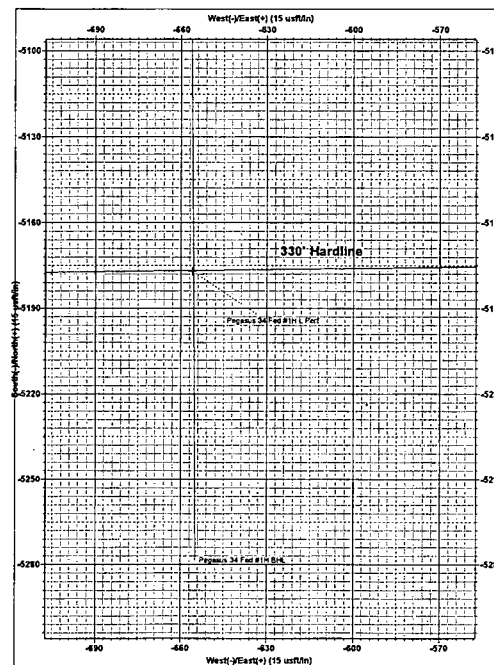
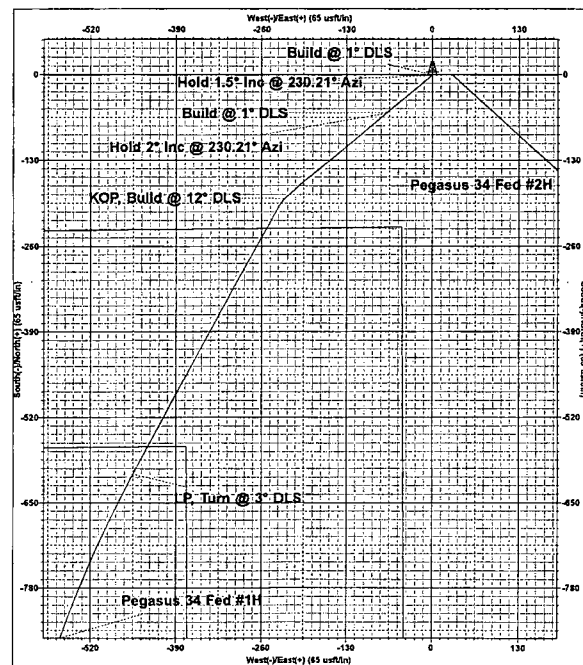
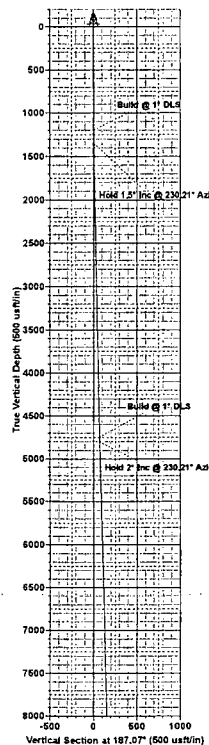
Ground Level: 3623.00
Northing 456912.00 Easting 708896.00 Latitude 32° 15' 15.699 N Longitude 103° 39' 27.354 W

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N-S	+E-W	Deg	TFace	VSeet	Target	Annotation
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		Build @ 1° DLS
2	1195.00	0.00	0.00	1195.00	0.00	0.00	0.00	0.00	0.00		Hold 1.5" Inc @ 230.21° Azi
3	1345.00	1.50	230.21	1344.98	-1.26	-1.51	1.00	230.21	1.43		Build @ 1° DLS
4	4751.18	1.50	230.21	4750.00	-58.32	-70.02	0.00	0.00	68.50		Hold 2" Inc @ 230.21° Azi
5	4801.18	2.00	230.21	4799.98	-59.30	-71.19	1.00	0.00	67.61		KOP, Build @ 12° DLS
6	10572.73	2.00	230.21	10568.01	-188.20	-225.97	0.00	0.00	214.50		LP Turn @ 3° DLS
7	11307.29	90.00	208.00	11030.00	-608.35	-456.03	12.00	-32.13	657.90		Hold 90° Inc @ 179.6° Azi
8	12256.81	90.00	179.60	11030.00	-1518.80	-880.95	3.00	-90.00	1591.11		TD at 18015.10
9	16015.10	90.00	179.60	11030.00	-5277.00	-655.00	0.00	0.00	5317.50		Pegasus 34 Fed #1H BHL

WELLSBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N-S	+E-W	Northing	Easting	Shape
Pegasus 34 Fed #1H BHL	11030.00	-5277.00	-655.00	451635.00	708241.00	Point
Pegasus 34 Fed #1H L Perf	11030.00	-5177.00	-656.00	451735.00	708240.00	Point
Pegasus 34 Fed #1H U Perf	11030.00	-573.00	-688.00	456339.00	708208.00	Point





EOG Resources - Midland

Lea County, NM

Pegasus 34 Fed

Pegasus 34 Fed #1H

OH

Plan: Plan #1

Standard Survey Report

01 May, 2014



EOG Resources, Inc.

Survey Report

Company: EOG Resources - Midland
Project: Lea County, NM
Site: Pegasus 34 Fed
Well: Pegasus 34 Fed #1H
Wellbore: OH
Design: Plan #1

Local Co-ordinate Reference: Well Pegasus 34 Fed #1H
TVD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
MD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 5000.1 Single User Db

Project	Lea County, NM		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Pegasus 34 Fed				
Site Position:		Northing:	456,912.00 usft	Latitude:	32° 15' 15.699 N
From:	Map	Easting:	708,896.00 usft	Longitude:	103° 39' 27.354 W
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0.36 °

Well	Pegasus 34 Fed #1H					
Well Position	+N/-S	0.00 usft	Northing:	456,912.00 usft	Latitude:	32° 15' 15.699 N
	+E/-W	0.00 usft	Easting:	708,896.00 usft	Longitude:	103° 39' 27.354 W
Position Uncertainty		0.00 usft	Wellhead Elevation:	usft	Ground Level:	3,623.00 usft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF201014	5/1/2014	7.27	60.13	48,336

Design:	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(usft)	(usft)	(usft)	(°)
	0.00	0.00	0.00	187.07

Survey Tool Program		Date	5/1/2014		
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description	
0.00	16,015.09	Plan #1 (OH)	MWD	MWD - Standard	

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00	



EOG Resources, Inc.

Survey Report

Company: EOG Resources - Midland
 Project: Lea County, NM
 Site: Pegasus 34 Fed
 Well: Pegasus 34 Fed #1H
 Wellbore: OH
 Design: Plan #1

Local Co-ordinate Reference: Well Pegasus 34 Fed #1H
 TVD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 MD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM 5000.1 Single User Db

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,195.00	0.00	0.00	1,195.00	0.00	0.00	0.00	0.00	0.00	0.00
Build @ 1° DLS									
1,200.00	0.05	230.21	1,200.00	0.00	0.00	0.00	1.00	1.00	0.00
1,300.00	1.05	230.21	1,299.99	-0.62	-0.74	0.70	1.00	1.00	0.00
1,345.00	1.50	230.21	1,344.98	-1.26	-1.51	1.43	1.00	1.00	0.00
Hold 1.5° Inc @ 230.21° Azi									
1,400.00	1.50	230.21	1,399.96	-2.18	-2.61	2.48	0.00	0.00	0.00
1,500.00	1.50	230.21	1,499.93	-3.85	-4.63	4.39	0.00	0.00	0.00
1,600.00	1.50	230.21	1,599.90	-5.53	-6.64	6.30	0.00	0.00	0.00
1,700.00	1.50	230.21	1,699.86	-7.20	-8.65	8.21	0.00	0.00	0.00
1,800.00	1.50	230.21	1,799.83	-8.88	-10.66	10.12	0.00	0.00	0.00
1,900.00	1.50	230.21	1,899.79	-10.55	-12.67	12.03	0.00	0.00	0.00
2,000.00	1.50	230.21	1,999.76	-12.23	-14.68	13.94	0.00	0.00	0.00
2,100.00	1.50	230.21	2,099.72	-13.90	-16.69	15.86	0.00	0.00	0.00
2,200.00	1.50	230.21	2,199.69	-15.58	-18.71	17.77	0.00	0.00	0.00
2,300.00	1.50	230.21	2,299.66	-17.26	-20.72	19.68	0.00	0.00	0.00
2,400.00	1.50	230.21	2,399.62	-18.93	-22.73	21.59	0.00	0.00	0.00
2,500.00	1.50	230.21	2,499.59	-20.61	-24.74	23.50	0.00	0.00	0.00
2,600.00	1.50	230.21	2,599.55	-22.28	-26.75	25.41	0.00	0.00	0.00
2,700.00	1.50	230.21	2,699.52	-23.96	-28.76	27.32	0.00	0.00	0.00
2,800.00	1.50	230.21	2,799.48	-25.63	-30.77	29.23	0.00	0.00	0.00
2,900.00	1.50	230.21	2,899.45	-27.31	-32.79	31.14	0.00	0.00	0.00
3,000.00	1.50	230.21	2,999.42	-28.98	-34.80	33.05	0.00	0.00	0.00
3,100.00	1.50	230.21	3,099.38	-30.66	-36.81	34.96	0.00	0.00	0.00
3,200.00	1.50	230.21	3,199.35	-32.33	-38.82	36.87	0.00	0.00	0.00
3,300.00	1.50	230.21	3,299.31	-34.01	-40.83	38.78	0.00	0.00	0.00
3,400.00	1.50	230.21	3,399.28	-35.68	-42.84	40.69	0.00	0.00	0.00
3,500.00	1.50	230.21	3,499.24	-37.36	-44.85	42.60	0.00	0.00	0.00
3,600.00	1.50	230.21	3,599.21	-39.03	-46.87	44.51	0.00	0.00	0.00
3,700.00	1.50	230.21	3,699.18	-40.71	-48.88	46.42	0.00	0.00	0.00
3,800.00	1.50	230.21	3,799.14	-42.38	-50.89	48.33	0.00	0.00	0.00
3,900.00	1.50	230.21	3,899.11	-44.06	-52.90	50.24	0.00	0.00	0.00
4,000.00	1.50	230.21	3,999.07	-45.73	-54.91	52.15	0.00	0.00	0.00
4,100.00	1.50	230.21	4,099.04	-47.41	-56.92	54.06	0.00	0.00	0.00
4,200.00	1.50	230.21	4,199.00	-49.09	-58.93	55.97	0.00	0.00	0.00
4,300.00	1.50	230.21	4,298.97	-50.76	-60.95	57.88	0.00	0.00	0.00
4,400.00	1.50	230.21	4,398.94	-52.44	-62.96	59.79	0.00	0.00	0.00
4,500.00	1.50	230.21	4,498.90	-54.11	-64.97	61.70	0.00	0.00	0.00
4,600.00	1.50	230.21	4,598.87	-55.79	-66.98	63.61	0.00	0.00	0.00
4,700.00	1.50	230.21	4,698.83	-57.46	-68.99	65.52	0.00	0.00	0.00
4,751.18	1.50	230.21	4,750.00	-58.32	-70.02	66.50	0.00	0.00	0.00
Build @ 1° DLS									



EOG Resources, Inc.

Survey Report

Company: EOG Resources - Midland
 Project: Lea County, NM
 Site: Pegasus 34 Fed
 Well: Pegasus 34 Fed #1H
 Wellbore: OH
 Design: Plan #1

Local Co-ordinate Reference: Well Pegasus 34 Fed #1H
 TVD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 MD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM 5000.1 Single User Db

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,801.18	2.00	230.21	4,799.98	-59.30	-71.19	67.61	1.00	1.00	0.00
Hold 2° Inc @ 230.21° Azi									
4,900.00	2.00	230.21	4,898.73	-61.50	-73.84	70.13	0.00	0.00	0.00
5,000.00	2.00	230.21	4,998.67	-63.74	-76.53	72.68	0.00	0.00	0.00
5,100.00	2.00	230.21	5,098.61	-65.97	-79.21	75.22	0.00	0.00	0.00
5,200.00	2.00	230.21	5,198.55	-68.20	-81.89	77.77	0.00	0.00	0.00
5,300.00	2.00	230.21	5,298.49	-70.44	-84.57	80.32	0.00	0.00	0.00
5,400.00	2.00	230.21	5,398.43	-72.67	-87.25	82.86	0.00	0.00	0.00
5,500.00	2.00	230.21	5,498.37	-74.90	-89.93	85.41	0.00	0.00	0.00
5,600.00	2.00	230.21	5,598.31	-77.14	-92.62	87.96	0.00	0.00	0.00
5,700.00	2.00	230.21	5,698.24	-79.37	-95.30	90.50	0.00	0.00	0.00
5,800.00	2.00	230.21	5,798.18	-81.60	-97.98	93.05	0.00	0.00	0.00
5,900.00	2.00	230.21	5,898.12	-83.84	-100.66	95.60	0.00	0.00	0.00
6,000.00	2.00	230.21	5,998.06	-86.07	-103.34	98.14	0.00	0.00	0.00
6,100.00	2.00	230.21	6,098.00	-88.31	-106.02	100.69	0.00	0.00	0.00
6,200.00	2.00	230.21	6,197.94	-90.54	-108.71	103.24	0.00	0.00	0.00
6,300.00	2.00	230.21	6,297.88	-92.77	-111.39	105.78	0.00	0.00	0.00
6,400.00	2.00	230.21	6,397.82	-95.01	-114.07	108.33	0.00	0.00	0.00
6,500.00	2.00	230.21	6,497.76	-97.24	-116.75	110.88	0.00	0.00	0.00
6,600.00	2.00	230.21	6,597.70	-99.47	-119.43	113.43	0.00	0.00	0.00
6,700.00	2.00	230.21	6,697.64	-101.71	-122.11	115.97	0.00	0.00	0.00
6,800.00	2.00	230.21	6,797.57	-103.94	-124.80	118.52	0.00	0.00	0.00
6,900.00	2.00	230.21	6,897.51	-106.17	-127.48	121.07	0.00	0.00	0.00
7,000.00	2.00	230.21	6,997.45	-108.41	-130.16	123.61	0.00	0.00	0.00
7,100.00	2.00	230.21	7,097.39	-110.64	-132.84	126.16	0.00	0.00	0.00
7,200.00	2.00	230.21	7,197.33	-112.87	-135.52	128.71	0.00	0.00	0.00
7,300.00	2.00	230.21	7,297.27	-115.11	-138.20	131.25	0.00	0.00	0.00
7,400.00	2.00	230.21	7,397.21	-117.34	-140.89	133.80	0.00	0.00	0.00
7,500.00	2.00	230.21	7,497.15	-119.57	-143.57	136.35	0.00	0.00	0.00
7,600.00	2.00	230.21	7,597.09	-121.81	-146.25	138.89	0.00	0.00	0.00
7,700.00	2.00	230.21	7,697.03	-124.04	-148.93	141.44	0.00	0.00	0.00
7,800.00	2.00	230.21	7,796.97	-126.27	-151.61	143.99	0.00	0.00	0.00
7,900.00	2.00	230.21	7,896.90	-128.51	-154.29	146.53	0.00	0.00	0.00
8,000.00	2.00	230.21	7,996.84	-130.74	-156.98	149.08	0.00	0.00	0.00
8,100.00	2.00	230.21	8,096.78	-132.97	-159.66	151.63	0.00	0.00	0.00
8,200.00	2.00	230.21	8,196.72	-135.21	-162.34	154.17	0.00	0.00	0.00
8,300.00	2.00	230.21	8,296.66	-137.44	-165.02	156.72	0.00	0.00	0.00
8,400.00	2.00	230.21	8,396.60	-139.68	-167.70	159.27	0.00	0.00	0.00
8,500.00	2.00	230.21	8,496.54	-141.91	-170.38	161.81	0.00	0.00	0.00
8,600.00	2.00	230.21	8,596.48	-144.14	-173.07	164.36	0.00	0.00	0.00
8,700.00	2.00	230.21	8,696.42	-146.38	-175.75	166.91	0.00	0.00	0.00
8,800.00	2.00	230.21	8,796.36	-148.61	-178.43	169.45	0.00	0.00	0.00
8,900.00	2.00	230.21	8,896.30	-150.84	-181.11	172.00	0.00	0.00	0.00
9,000.00	2.00	230.21	8,996.23	-153.08	-183.79	174.55	0.00	0.00	0.00



EOG Resources, Inc.

Survey Report

Company: EOG Resources - Midland
 Project: Lea County, NM
 Site: Pegasus 34 Fed
 Well: Pegasus 34 Fed #1H
 Wellbore: OH
 Design: Plan #1

Local Co-ordinate Reference: Well Pegasus 34 Fed #1H
 TVD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 MD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM 5000.1 Single User Db

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
9,100.00	2.00	230.21	9,096.17	-155.31	-186.47	177.09	0.00	0.00	0.00
9,200.00	2.00	230.21	9,196.11	-157.54	-189.16	179.64	0.00	0.00	0.00
9,300.00	2.00	230.21	9,296.05	-159.78	-191.84	182.19	0.00	0.00	0.00
9,400.00	2.00	230.21	9,395.99	-162.01	-194.52	184.73	0.00	0.00	0.00
9,500.00	2.00	230.21	9,495.93	-164.24	-197.20	187.28	0.00	0.00	0.00
9,600.00	2.00	230.21	9,595.87	-166.48	-199.88	189.83	0.00	0.00	0.00
9,700.00	2.00	230.21	9,695.81	-168.71	-202.56	192.37	0.00	0.00	0.00
9,800.00	2.00	230.21	9,795.75	-170.94	-205.25	194.92	0.00	0.00	0.00
9,900.00	2.00	230.21	9,895.69	-173.18	-207.93	197.47	0.00	0.00	0.00
10,000.00	2.00	230.21	9,995.63	-175.41	-210.61	200.02	0.00	0.00	0.00
10,100.00	2.00	230.21	10,095.56	-177.64	-213.29	202.56	0.00	0.00	0.00
10,200.00	2.00	230.21	10,195.50	-179.88	-215.97	205.11	0.00	0.00	0.00
10,300.00	2.00	230.21	10,295.44	-182.11	-218.65	207.66	0.00	0.00	0.00
10,400.00	2.00	230.21	10,395.38	-184.34	-221.34	210.20	0.00	0.00	0.00
10,500.00	2.00	230.21	10,495.32	-186.58	-224.02	212.75	0.00	0.00	0.00
10,572.73	2.00	230.21	10,568.01	-188.20	-225.97	214.60	0.00	0.00	0.00

KOP, Build @ 12° DLS

10,575.00	2.25	227.60	10,570.27	-188.26	-226.03	214.66	12.00	11.22	-114.98
10,600.00	5.18	216.43	10,595.22	-189.50	-227.06	216.02	12.00	11.70	-44.69
10,625.00	8.16	213.35	10,620.05	-191.89	-228.71	218.60	12.00	11.92	-12.31
10,650.00	11.15	211.92	10,644.69	-195.42	-230.96	222.38	12.00	11.96	-5.75
10,675.00	14.14	211.08	10,669.08	-200.09	-233.82	227.37	12.00	11.98	-3.34
10,700.00	17.14	210.53	10,693.15	-205.88	-237.27	233.54	12.00	11.99	-2.19
10,725.00	20.14	210.14	10,716.84	-212.78	-241.30	240.88	12.00	11.99	-1.55
10,750.00	23.14	209.85	10,740.08	-220.76	-245.91	249.37	12.00	11.99	-1.17
10,775.00	26.13	209.63	10,762.80	-229.81	-251.08	258.98	12.00	11.99	-0.91
10,800.00	29.13	209.44	10,784.94	-239.90	-256.79	269.70	12.00	12.00	-0.74
10,825.00	32.13	209.29	10,806.45	-251.00	-263.04	281.48	12.00	12.00	-0.61
10,850.00	35.13	209.16	10,827.26	-263.08	-269.80	294.31	12.00	12.00	-0.52
10,875.00	38.13	209.05	10,847.32	-276.11	-277.05	308.13	12.00	12.00	-0.44
10,900.00	41.13	208.95	10,866.58	-290.06	-284.78	322.93	12.00	12.00	-0.39
10,925.00	44.13	208.87	10,884.97	-304.88	-292.97	338.64	12.00	12.00	-0.34
10,950.00	47.13	208.79	10,902.45	-320.53	-301.58	355.24	12.00	12.00	-0.31
10,975.00	50.13	208.72	10,918.97	-336.98	-310.60	372.67	12.00	12.00	-0.28
11,000.00	53.13	208.66	10,934.49	-354.17	-320.01	390.89	12.00	12.00	-0.26
11,025.00	56.13	208.60	10,948.96	-372.06	-329.78	409.85	12.00	12.00	-0.24
11,050.00	59.13	208.54	10,962.34	-390.60	-339.87	429.49	12.00	12.00	-0.22
11,075.00	62.13	208.49	10,974.60	-409.75	-350.27	449.77	12.00	12.00	-0.21
11,100.00	65.13	208.44	10,985.71	-429.43	-360.95	470.62	12.00	12.00	-0.20
11,125.00	68.13	208.39	10,995.62	-449.62	-371.86	491.99	12.00	12.00	-0.19
11,150.00	71.13	208.35	11,004.32	-470.23	-383.00	513.83	12.00	12.00	-0.18
11,175.00	74.13	208.30	11,011.79	-491.24	-394.32	536.06	12.00	12.00	-0.17
11,200.00	77.13	208.26	11,017.99	-512.56	-405.79	558.64	12.00	12.00	-0.17



EOG Resources, Inc.

Survey Report

Company: EOG Resources - Midland
 Project: Lea County, NM
 Site: Pegasus 34 Fed
 Well: Pegasus 34 Fed #1H
 Wellbore: OH
 Design: Plan #1

Local Co-ordinate Reference: Well Pegasus 34 Fed #1H
 TVD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 MD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM 5000.1 Single User Db

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
11,225.00	80.13	208.22	11,022.92	-534.15	-417.39	581.49	12.00	12.00	-0.16
11,250.00	83.13	208.18	11,026.57	-555.94	-429.08	604.56	12.00	12.00	-0.16
11,275.00	86.13	208.14	11,028.91	-577.88	-440.82	627.78	12.00	12.00	-0.16
11,300.00	89.12	208.10	11,029.94	-599.91	-452.59	651.09	12.00	12.00	-0.16
11,307.29	90.00	208.09	11,030.00	-606.35	-456.03	657.90	12.00	12.00	-0.16
LP, Turn @ 3° DLS									
11,400.00	90.00	205.31	11,030.00	-689.16	-497.68	745.21	3.00	0.00	-3.00
11,500.00	90.00	202.31	11,030.00	-780.64	-538.04	840.96	3.00	0.00	-3.00
11,600.00	90.00	199.31	11,030.00	-874.10	-573.56	938.09	3.00	0.00	-3.00
11,700.00	90.00	196.31	11,030.00	-969.30	-604.14	1,036.33	3.00	0.00	-3.00
11,800.00	90.00	193.31	11,030.00	-1,065.97	-629.70	1,135.41	3.00	0.00	-3.00
11,900.00	90.00	190.31	11,030.00	-1,163.84	-650.16	1,235.06	3.00	0.00	-3.00
12,000.00	90.00	187.31	11,030.00	-1,262.65	-665.47	1,335.00	3.00	0.00	-3.00
12,100.00	90.00	184.31	11,030.00	-1,362.13	-675.59	1,434.97	3.00	0.00	-3.00
12,200.00	90.00	181.31	11,030.00	-1,461.99	-680.49	1,534.68	3.00	0.00	-3.00
12,256.81	90.00	179.60	11,030.00	-1,518.80	-680.95	1,591.11	3.00	0.00	-3.00
Hold 90° Inc @ 179.6° Azi									
12,300.00	90.00	179.60	11,030.00	-1,561.99	-680.65	1,633.93	0.00	0.00	0.00
12,400.00	90.00	179.60	11,030.00	-1,661.99	-679.96	1,733.08	0.00	0.00	0.00
12,500.00	90.00	179.60	11,030.00	-1,761.98	-679.27	1,832.23	0.00	0.00	0.00
12,600.00	90.00	179.60	11,030.00	-1,861.98	-678.58	1,931.38	0.00	0.00	0.00
12,700.00	90.00	179.60	11,030.00	-1,961.98	-677.89	2,030.53	0.00	0.00	0.00
12,800.00	90.00	179.60	11,030.00	-2,061.98	-677.20	2,129.69	0.00	0.00	0.00
12,900.00	90.00	179.60	11,030.00	-2,161.98	-676.51	2,228.84	0.00	0.00	0.00
13,000.00	90.00	179.60	11,030.00	-2,261.97	-675.82	2,327.99	0.00	0.00	0.00
13,100.00	90.00	179.60	11,030.00	-2,361.97	-675.13	2,427.14	0.00	0.00	0.00
13,200.00	90.00	179.60	11,030.00	-2,461.97	-674.43	2,526.29	0.00	0.00	0.00
13,300.00	90.00	179.60	11,030.00	-2,561.97	-673.74	2,625.44	0.00	0.00	0.00
13,400.00	90.00	179.60	11,030.00	-2,661.96	-673.05	2,724.59	0.00	0.00	0.00
13,500.00	90.00	179.60	11,030.00	-2,761.96	-672.36	2,823.74	0.00	0.00	0.00
13,600.00	90.00	179.60	11,030.00	-2,861.96	-671.67	2,922.90	0.00	0.00	0.00
13,700.00	90.00	179.60	11,030.00	-2,961.96	-670.98	3,022.05	0.00	0.00	0.00
13,800.00	90.00	179.60	11,030.00	-3,061.95	-670.29	3,121.20	0.00	0.00	0.00
13,900.00	90.00	179.60	11,030.00	-3,161.95	-669.60	3,220.35	0.00	0.00	0.00
14,000.00	90.00	179.60	11,030.00	-3,261.95	-668.91	3,319.50	0.00	0.00	0.00
14,100.00	90.00	179.60	11,030.00	-3,361.95	-668.22	3,418.65	0.00	0.00	0.00
14,200.00	90.00	179.60	11,030.00	-3,461.94	-667.53	3,517.80	0.00	0.00	0.00
14,300.00	90.00	179.60	11,030.00	-3,561.94	-666.84	3,616.95	0.00	0.00	0.00
14,400.00	90.00	179.60	11,030.00	-3,661.94	-666.15	3,716.11	0.00	0.00	0.00
14,500.00	90.00	179.60	11,030.00	-3,761.94	-665.46	3,815.26	0.00	0.00	0.00
14,600.00	90.00	179.60	11,030.00	-3,861.93	-664.77	3,914.41	0.00	0.00	0.00
14,700.00	90.00	179.60	11,030.00	-3,961.93	-664.08	4,013.56	0.00	0.00	0.00
14,800.00	90.00	179.60	11,030.00	-4,061.93	-663.39	4,112.71	0.00	0.00	0.00
14,900.00	90.00	179.60	11,030.00	-4,161.93	-662.70	4,211.86	0.00	0.00	0.00



EOG Resources, Inc.

Survey Report

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Well: Pegasus 34 Fed #1H
Wellbore: OH
Design: Plan #1

Local Co-ordinate Reference: Well Pegasus 34 Fed #1H
TVD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
MD Reference: WELL @ 3653.00usft (3623' GL + 30' KB)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 5000.1 Single User Db

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
15,000.00	90.00	179.60	11,030.00	-4,261.93	-662.01	4,311.01	0.00	0.00	0.00
15,100.00	90.00	179.60	11,030.00	-4,361.92	-661.32	4,410.16	0.00	0.00	0.00
15,200.00	90.00	179.60	11,030.00	-4,461.92	-660.63	4,509.31	0.00	0.00	0.00
15,300.00	90.00	179.60	11,030.00	-4,561.92	-659.94	4,608.47	0.00	0.00	0.00
15,400.00	90.00	179.60	11,030.00	-4,661.92	-659.25	4,707.62	0.00	0.00	0.00
15,500.00	90.00	179.60	11,030.00	-4,761.91	-658.56	4,806.77	0.00	0.00	0.00
15,600.00	90.00	179.60	11,030.00	-4,861.91	-657.87	4,905.92	0.00	0.00	0.00
15,700.00	90.00	179.60	11,030.00	-4,961.91	-657.18	5,005.07	0.00	0.00	0.00
15,800.00	90.00	179.60	11,030.00	-5,061.91	-656.49	5,104.22	0.00	0.00	0.00
15,900.00	90.00	179.60	11,030.00	-5,161.90	-655.79	5,203.37	0.00	0.00	0.00
16,000.00	90.00	179.60	11,030.00	-5,261.90	-655.10	5,302.52	0.00	0.00	0.00
16,015.10	90.00	179.60	11,030.00	-5,277.00	-655.00	5,317.50	0.00	0.00	0.00

TD at 16015.10

Design Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
- hit/miss target									
- Shape									
Pegasus 34 Fed #1H L F	0.00	0.00	11,030.00	-5,177.00	-656.00	451,735.00	708,240.00	32° 14' 24.510 N	103° 39' 35.371 W
- plan misses target center by 0.31usft at 15915.09usft MD (11030.00 TVD, -5177.00 N, -655.69 E)									
- Point									
Pegasus 34 Fed #1H U I	0.00	0.00	11,030.00	-573.00	-688.00	456,339.00	708,208.00	32° 15' 10.071 N	103° 39' 35.408 W
- plan misses target center by 221.87usft at 11381.74usft MD (11030.00 TVD, -672.69 N, -489.79 E)									
- Point									
Pegasus 34 Fed #1H B F	0.00	0.00	11,030.00	-5,277.00	-655.00	451,635.00	708,241.00	32° 14' 23.520 N	103° 39' 35.367 W
- plan hits target center									
- Point									

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates		Comment
		+N/-S (usft)	+E/-W (usft)	
1195	1195	0	0	Build @ 1° DLS
1345	1345	-1	-2	Hold 1.5° Inc @ 230.21° Azi
4751	4750	-58	-70	Build @ 1° DLS
4801	4800	-59	-71	Hold 2° Inc @ 230.21° Azi
10,573	10,568	-188	-226	KOP, Build @ 12° DLS
11,307	11,030	-606	-456	LP, Turn @ 3° DLS
12,257	11,030	-1519	-681	Hold 90° Inc @ 179.6° Azi
16,015	11,030	-5277	-655	TD at 16015.10

Checked By: _____ Approved By: _____ Date: _____

Exhibit 1

EOG Resources

5M BOPE

Rig Floor

1. 13 5/8" Rotating Head
2. Hydril 13 5/8" 5,000 PSI WP GK Annular Preventor
3. 13 5/8" Cameron Type "U" 10,000 PSI WP Ram Preventors
4. 2 1/16" - 10,000 PSI WP Check Valve
5. 10,000 PSI WP - 1502 Union to kill line
6. 2 1/16" - 10,000 PSI WP Manual Valves
7. 13 5/8" 3,000 PSI WP x 13 5/8" 5,000 PSI WP Spacer Spool
8. 4 1/16" 10,000 PSI WP HCR Valve
9. 4 1/16" 10,000 PSI WP Manual Valve
10. 8" OD x 4" ID 10,000 PSI WP Flex Choke Line
11. DSA - 13 5/8" 10,000 PSI WP x 13 5/8" 5,000 PSI WP
12. Mud Cross - 13 5/8" 10,000 PSI WP
13. Blind Rams
14. Pipe Rams
15. 13 5/8" 5,000 PSI WP Spacer Spools
16. Flow Line
17. 2" Fill Line

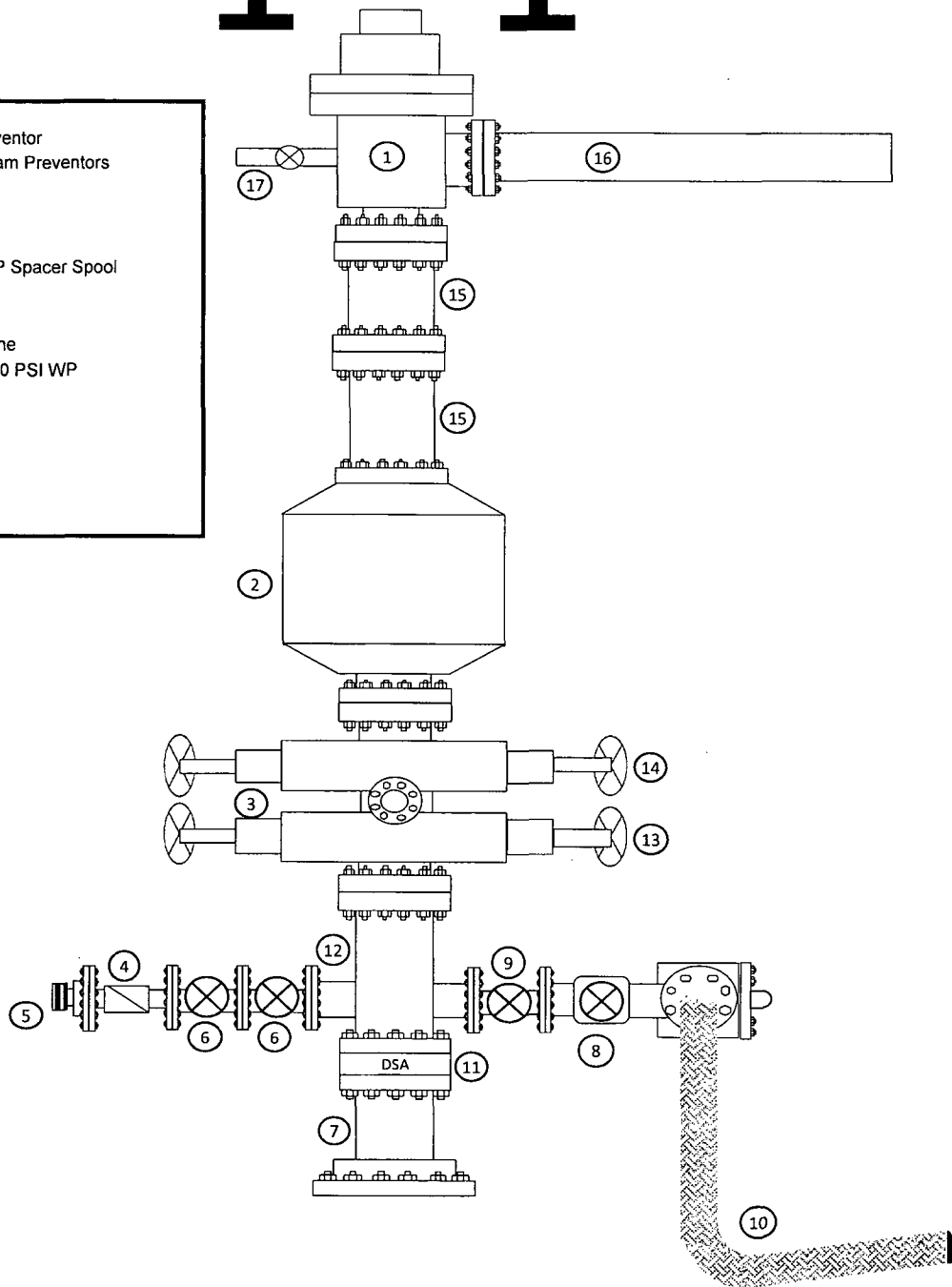
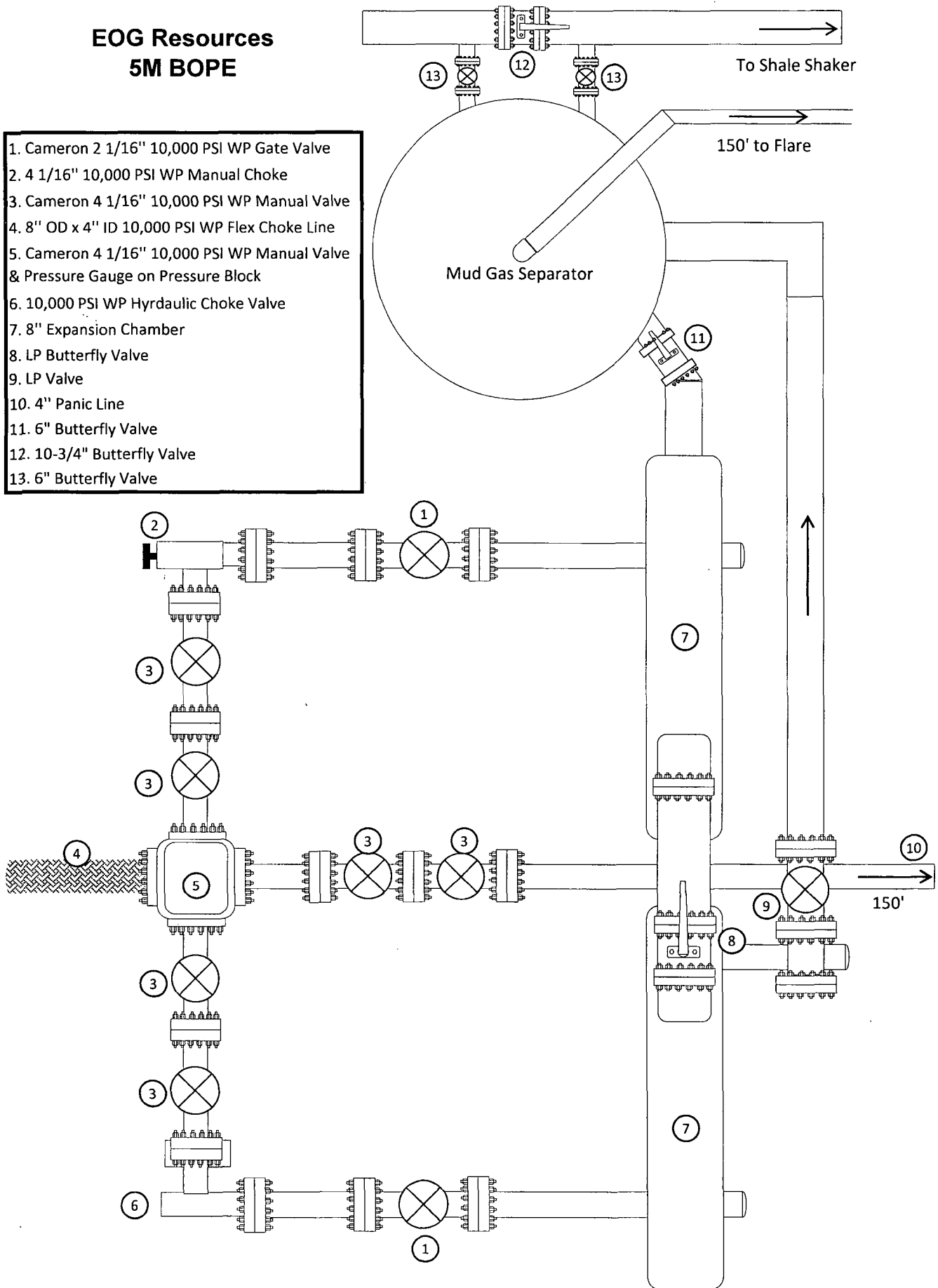


Exhibit 1a

EOG Resources 5M BOPE

1. Cameron 2 1/16" 10,000 PSI WP Gate Valve
2. 4 1/16" 10,000 PSI WP Manual Choke
3. Cameron 4 1/16" 10,000 PSI WP Manual Valve
4. 8" OD x 4" ID 10,000 PSI WP Flex Choke Line
5. Cameron 4 1/16" 10,000 PSI WP Manual Valve & Pressure Gauge on Pressure Block
6. 10,000 PSI WP Hyrdaulic Choke Valve
7. 8" Expansion Chamber
8. LP Butterfly Valve
9. LP Valve
10. 4" Panic Line
11. 6" Butterfly Valve
12. 10-3/4" Butterfly Valve
13. 6" Butterfly Valve



Manufacturer: Midwest Hose & Specialty

Serial Number: SN#90067

Length: 35'

Size: OD = 8" ID = 4"

Ends: Flanges Size: 4-1/16"

WP Rating: 10,000 psi Anchors required by manufacturer: No

MIDWEST

HOSE AND SPECIALTY INC.

INTERNAL HYDROSTATIC TEST REPORT		
Customer: CACTUS		P.O. Number: RIG #123 Asset # M10761
HOSE SPECIFICATIONS		
Type: CHOKER LINE	Length: 35'	
I.D. 4" INCHES	O.D. 8" INCHES	
WORKING PRESSURE 10,000 PSI	TEST PRESSURE 15,000 PSI	BURST PRESSURE PSI
COUPLINGS		
Type of End Fitting 4 1/16 10K FLANGE		
Type of Coupling: SWEDGED	MANUFACTURED BY MIDWEST HOSE & SPECIALTY	
PROCEDURE		
<i>Hose assembly pressure tested with water at ambient temperature.</i>		
TIME HELD AT TEST PRESSURE 1 MIN.	ACTUAL BURST PRESSURE: 0 PSI	
COMMENTS: SN#90067 M10761 Hose is covered with stainless steel armour cover and wrapped with fire resistant vermiculite coated fiberglass insulation rated for 1500 degrees complete with lifting eyes		
Date: 6/6/2011	Tested By: BOBBY FINK	Approved: MENDI JACKSON



Midwest Hose
& Specialty, Inc.

Internal Hydrostatic Test Graph

replaces 10-10-10

Customer: CACTUS

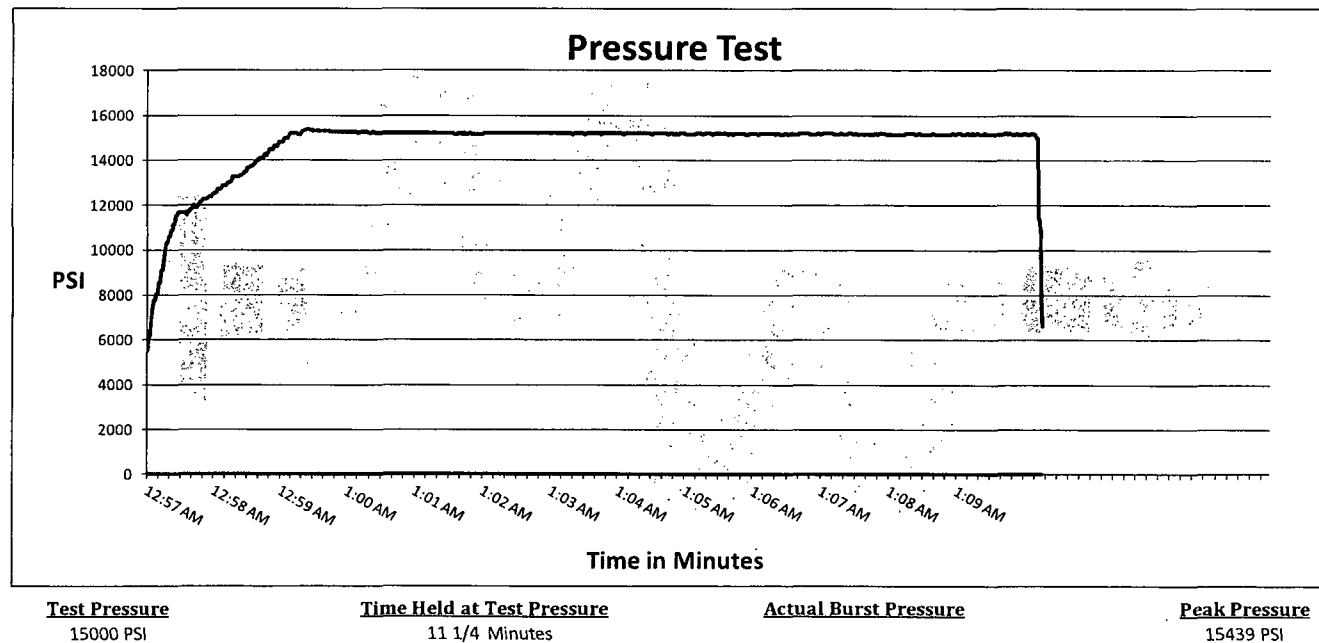
SALES ORDER# 90067

Hose Specifications

<u>Hose Type</u>	<u>Length</u>
C & K	35'
<u>I.D.</u>	<u>O.D.</u>
4"	8"
<u>Working Pressure</u>	<u>Burst Pressure</u>
10000 PSI	Standard Safety Multiplier Applies

Verification

<u>Type of Fitting</u>	<u>Coupling Method</u>
4 1/16 10K	Swage
<u>Die Size</u>	<u>Final O.D.</u>
6.62"	6.68"
<u>Hose Serial #</u>	<u>Hose Assembly Serial #</u>
	90067



Comments: Hose assembly pressure tested with water at ambient temperature.

Tested By: Bobby Fink

Approved By: Mendi Jackson

Bobby Fink

Mendi Jackson