

JAN 09 2019

F/S

Form 3160-3
(June 2015)

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | |
|--|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | 5. Lease Serial No. NMNM026394 |
| 1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 6. If Indian, Allottee or Tribe Name |
| 1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | 7. If Unit or CA Agreement, Name and No. |
| | 8. Lease Name and Well No. GREEN DRAKE 16 FED COM 704H (723122) |

| | | |
|--|--|---|
| 2. Name of Operator EOG RESOURCES INCORPORATED (7377) | | 9. API Well No. 30-025-45873 |
| 3a. Address 1111 Bagby Sky Lobby2 Houston TX 77002 | 3b. Phone No. (include area code) (713)651-7000 | 10. Field and Pool, or Exploratory (98180) RED HILLS / WC-025 S253309A UPPER |

| | |
|--|---|
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW / 2075 FSL / 1560 FWL / LAT 32.1290314 / LONG -103.5807165 At proposed prod. zone SESW / 100 FSL / 1364 FWL / LAT 32.1090867 / LONG -103.581363 | 11. Sec., T. R. M. or Blk. and Survey or Area SEC 16 / T25S / R33E / NMP |
|--|---|

| | | |
|---|-----------------------------|-----------------|
| 14. Distance in miles and direction from nearest town or post office* 22 miles | 12. County or Parish LEA | 13. State NM |
|---|-----------------------------|-----------------|

| | | |
|---|----------------------------------|--|
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 100 feet | 16. No of acres in lease 2560 | 17. Spacing Unit dedicated to this well 480 |
|---|----------------------------------|--|

| | | |
|--|---|---|
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 280 feet | 19. Proposed Depth 12315 feet / 19899 feet | 20. BLM/BIA Bond No. in file FED: NM2308 |
|--|---|---|

| | | |
|--|---|-----------------------------------|
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3408 feet | 22. Approximate date work will start* 01/01/2019 | 23. Estimated duration 25 days |
|--|---|-----------------------------------|

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|--|---|
| 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 requested by the BLM. |

| | | |
|---------------------------------------|---|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) Stan Wagner / Ph: (432)686-3689 | Date 08/16/2018 |
|---------------------------------------|---|--------------------|

Title
Regulatory Specialsit

| | | |
|---|--|--------------------|
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) Ty Allen / Ph: (575)234-5978 | Date 11/30/2018 |
|---|--|--------------------|

Title
Wildlife Biologist
Office
CARLSBAD

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.

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.

GCP Rec 1/9/19

APPROVED WITH CONDITIONS
Approval Date: 11/30/2018

KZ
01/10/19

Double
sided

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM connects this information to an evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Connection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: NESW / 2075 FSL / 1560 FWL / TWSP: 25S / RANGE: 33E / SECTION: 16 / LAT: 32.1290314 / LONG: -103.5807165 (TVD: 0 feet, MD: 0 feet)
PPP: NESW / 2540 FSL / 1364 FWL / TWSP: 25S / RANGE: 33E / SECTION: 16 / LAT: 32.1303118 / LONG: -103.5813512 (TVD: 12050 feet, MD: 12075 feet)
BHL: SESW / 100 FSL / 1364 FWL / TWSP: 25S / RANGE: 33E / SECTION: 21 / LAT: 32.1090867 / LONG: -103.581363 (TVD: 12315 feet, MD: 19899 feet)

BLM Point of Contact

Name: Katrina Ponder
Title: Geologist
Phone: 5752345969
Email: kponder@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

10,000 PSI BOP Annular Variance Request

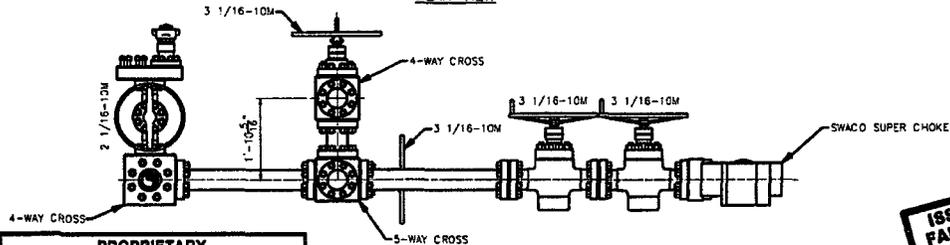
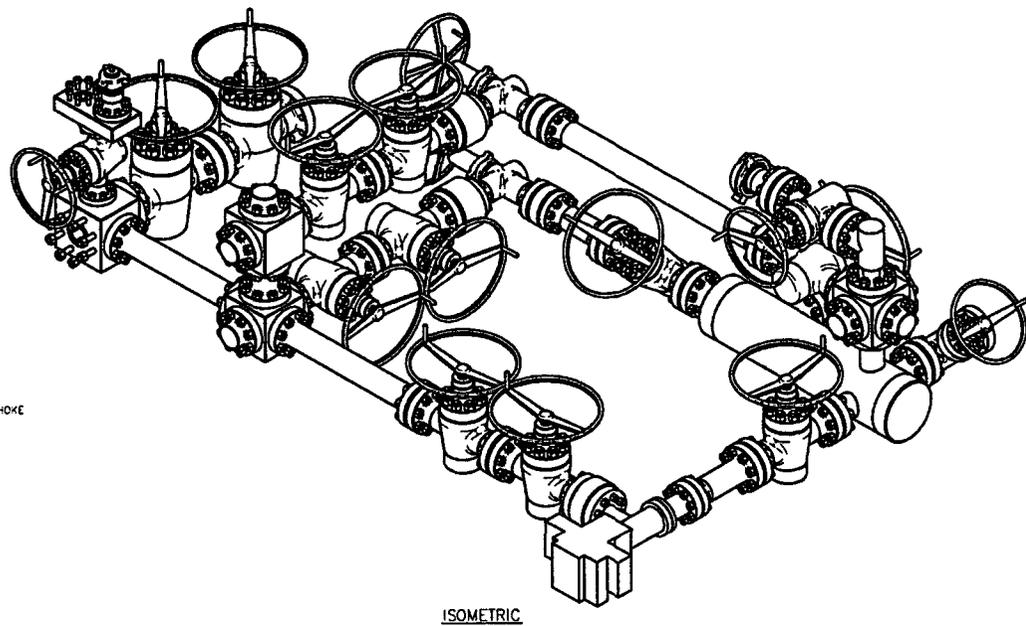
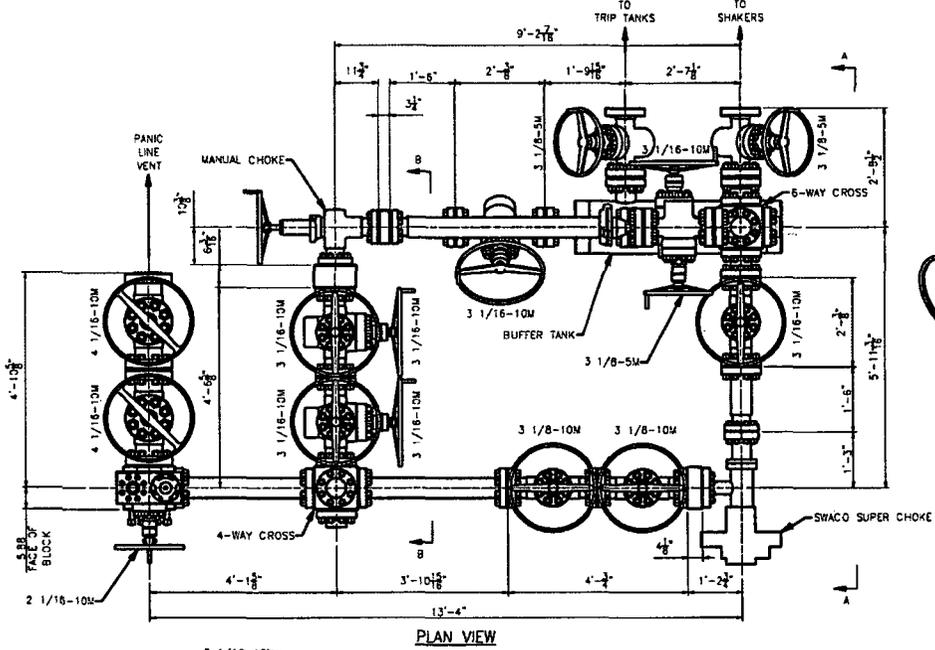
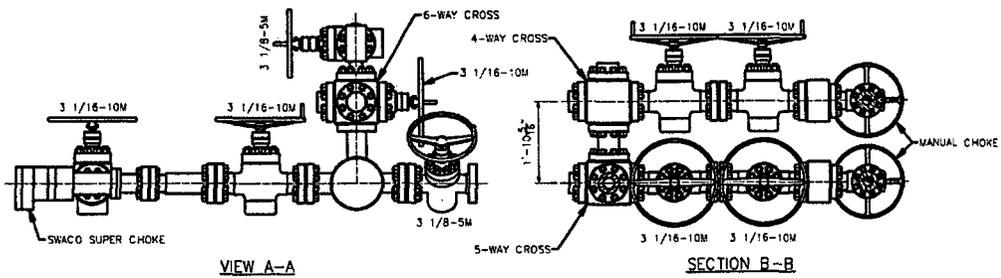
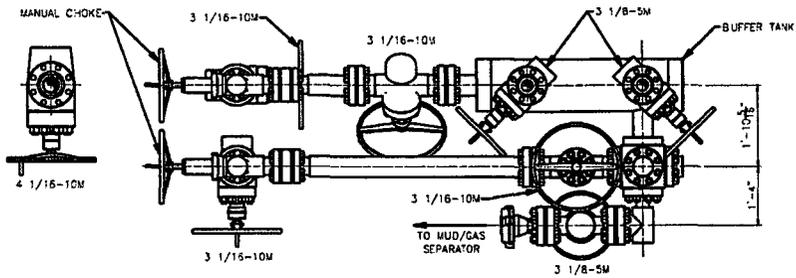
EOG Resources request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOP).

1. Component and Preventer Compatibility Tables

The tables below outlines the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

| 12-1/4" Intermediate Hole Section 10M psi requirement | | | | | |
|--|---------------------|--------------------------|------------|--|------------|
| Component | OD | Primary Preventer | RWP | Alternate Preventer(s) | RWP |
| Drillpipe | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| HWDP | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Jars | 6.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| DCs and MWD tools | 6.500" – 8.000" | Annular | 5M | - | - |
| Mud Motor | 8.000" – 9.625" | Annular | 5M | - | - |
| 1 st Intermediate casing | 9.625" | Annular | 5M | - | - |
| Open-hole | - | Blind Rams | 10M | - | - |

| 8-3/4" Intermediate Hole Section 10M psi requirement | | | | | |
|---|---------------------|--------------------------|------------|--|------------|
| Component | OD | Primary Preventer | RWP | Alternate Preventer(s) | RWP |
| Drillpipe | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| HWDP | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Jars | 6.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| DCs and MWD tools | 6.500" – 8.000" | Annular | 5M | - | - |
| Mud Motor | 6.750" – 8.000" | Annular | 5M | - | - |
| 2 nd Intermediate casing | 7.625" | Annular | 5M | - | - |
| Open-hole | - | Blind Rams | 10M | - | - |



PROPRIETARY
THIS DRAWING AND THE IDEAS AND INFORMATION INCLUDED IN THIS DRAWING ARE PROPRIETARY AND ARE NOT TO BE REPRODUCED, DISTRIBUTED OR DISCLOSED IN ANY MANNER WITHOUT THE PRIOR WRITTEN CONSENT OF A DULY AUTHORIZED OFFICER OF HELMERICH & PAYNE INT'L DRILLING CO.

ISSUED FOR FABRICATION
February-10-2014
DRAFTSMAN *[Signature]*
ENGINEER *[Signature]*

| STANDARD TOLERANCES | | | |
|----------------------------|-------------------------------------|---------|--|
| DIMENSIONS | | | |
| 1. FABRICATION DIMENSIONS: | 1/8" TO 1/2" | ± 0.005 | |
| | 3/8" TO 1 1/2" | ± 0.010 | |
| | LARGER SIZES | ± 0.020 | |
| 2. MACHINED DIMENSIONS: | ALL DIMENSIONS | ± 0.010 | |
| | LINEAR (EXCEPTED AS NOTED) | ± 0.015 | |
| | LINEAR (EXCEPTED TO ONE DECIMAL) | ± 0.1 | |
| | LINEAR (EXCEPTED TO TWO DECIMALS) | ± 0.02 | |
| | LINEAR (EXCEPTED TO THREE DECIMALS) | ± 0.005 | |

| | |
|--|--------------------|
| HELMERICH & PAYNE INTERNATIONAL DRILLING CO. | |
| TITLE: 3 CHOKE, 3 LEVEL, 10M CHOKE MANIFOLD G.A. | |
| CUSTOMER: H&P | |
| PROJECT: | |
| DATE: 2/10/2014 | DWG. NO.: HP-D1254 |
| SCALE: 3/4"=1'-0" | SHEET: 1 OF 1 |
| REV: | BY: |

| REV | DATE | DESCRIPTION | BY |
|-----|------|-------------|----|
| | | | |
| | | | |
| | | | |

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

M I D W E S T
HOSE AND SPECIALTY INC.

| INTERNAL HYDROSTATIC TEST REPORT | | |
|---|------------------------------------|--|
| Customer: CACTUS | | P.O. Number: RIG #123 Asset # M10761 |
| HOSE SPECIFICATIONS | | |
| Type: CHOKE 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

10/15/2014 10:44:47 AM

Customer: CACTUS

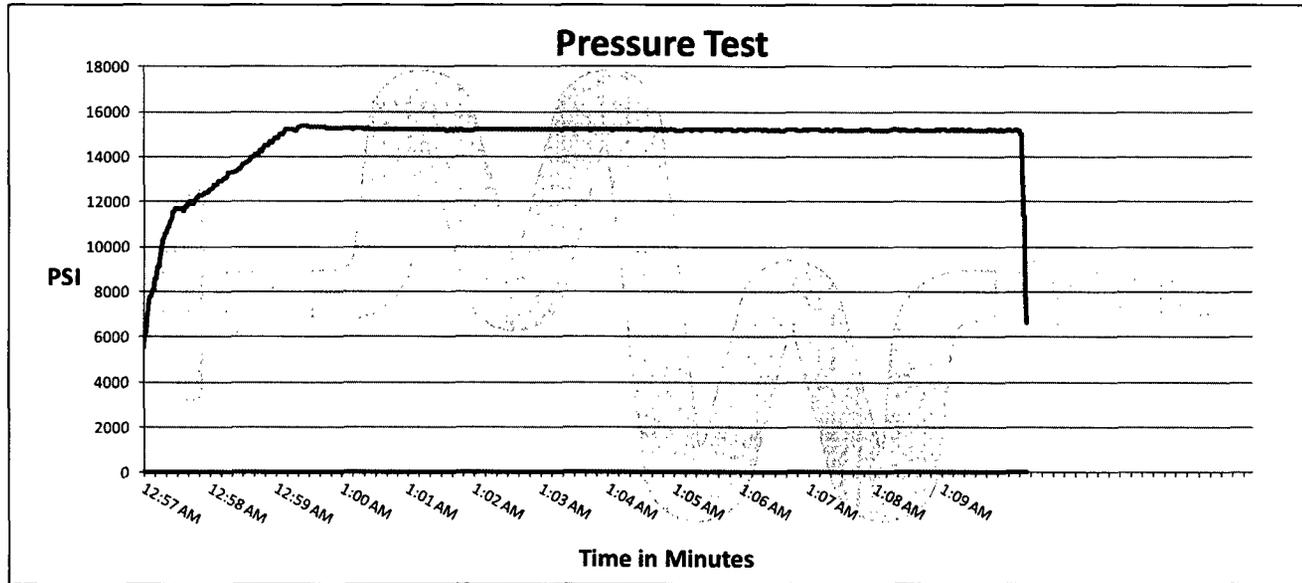
SALES ORDER# 90067

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 |



Test Pressure
15000 PSI

Time Held at Test Pressure
11 1/4 Minutes

Actual Burst Pressure

Peak Pressure
15439 PSI

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

Tested By: Bobby Fink

Approved By: Mendi Jackson

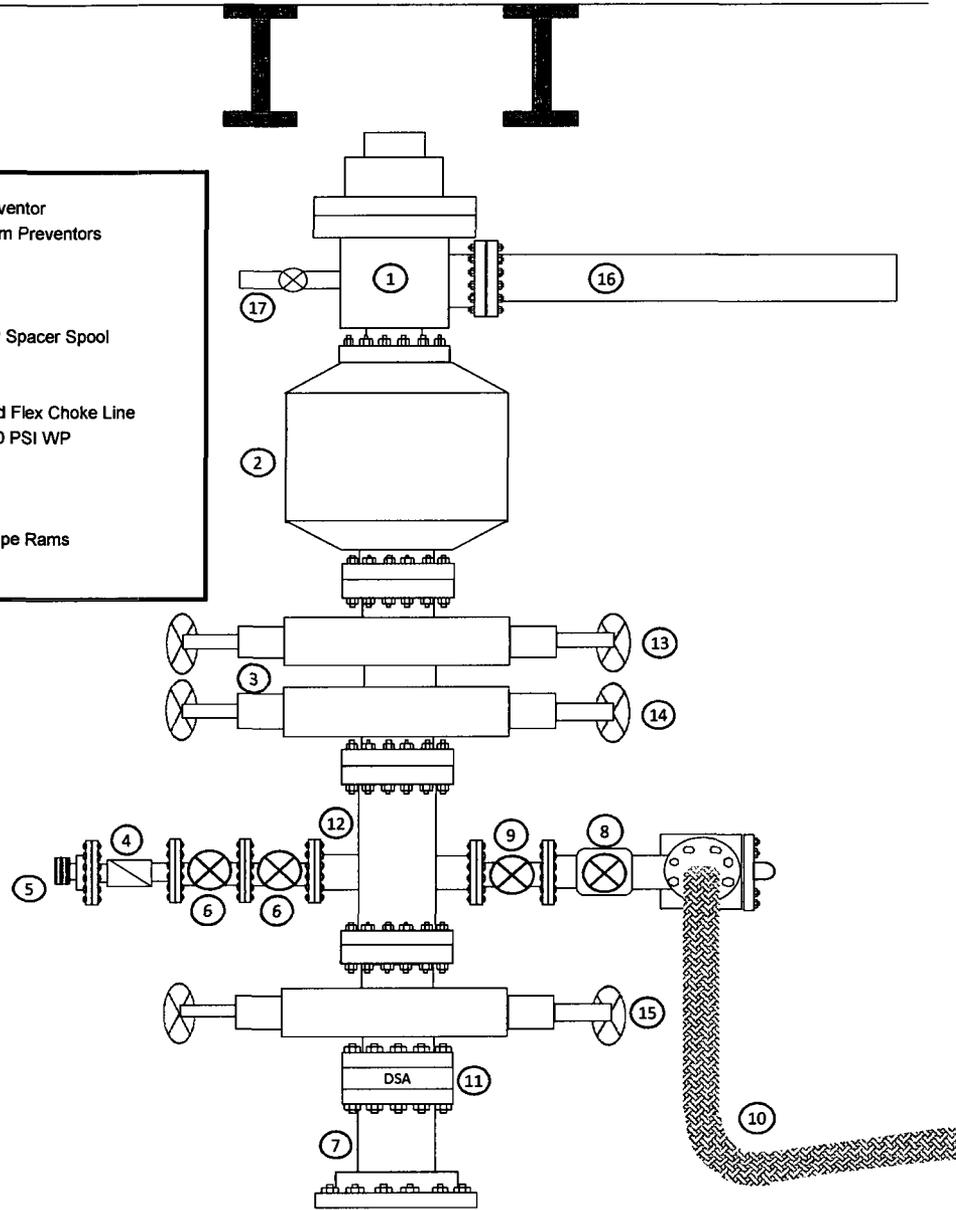
Exhibit 1

EOG Resources

10M BOPE

Rig Floor

- | |
|--|
| 1. 13 5/8" Rotating Head |
| 2. Hydril 13 5/8" 10,000 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. 6" OD x 3" ID 10,000 PSI WP Steel Armoured 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" Cameron Type "U" 10,000 PSI WP Pipe Rams |
| 16. Flow Line |
| 17. 2" Fill Line |



10,000 PSI BOP Annular Variance Request

EOG Resources request a variance to use a 5000 psi annular BOP with a 10,000 psi BOP stack. The component and compatibility tables along with the general well control plans demonstrate how the 5000 psi annular BOP will be protected from pressures that exceed its rated working pressure (RWP). The pressure at which the control of the wellbore is transferred from the annular preventer to another available preventer will not exceed 3500 psi (70% of the RWP of the 5000 psi annular BOP).

1. Component and Preventer Compatibility Tables

The tables below outlines the tubulars and the compatible preventers in use. This table, combined with the drilling fluid, documents that two barriers to flow will be maintained at all times.

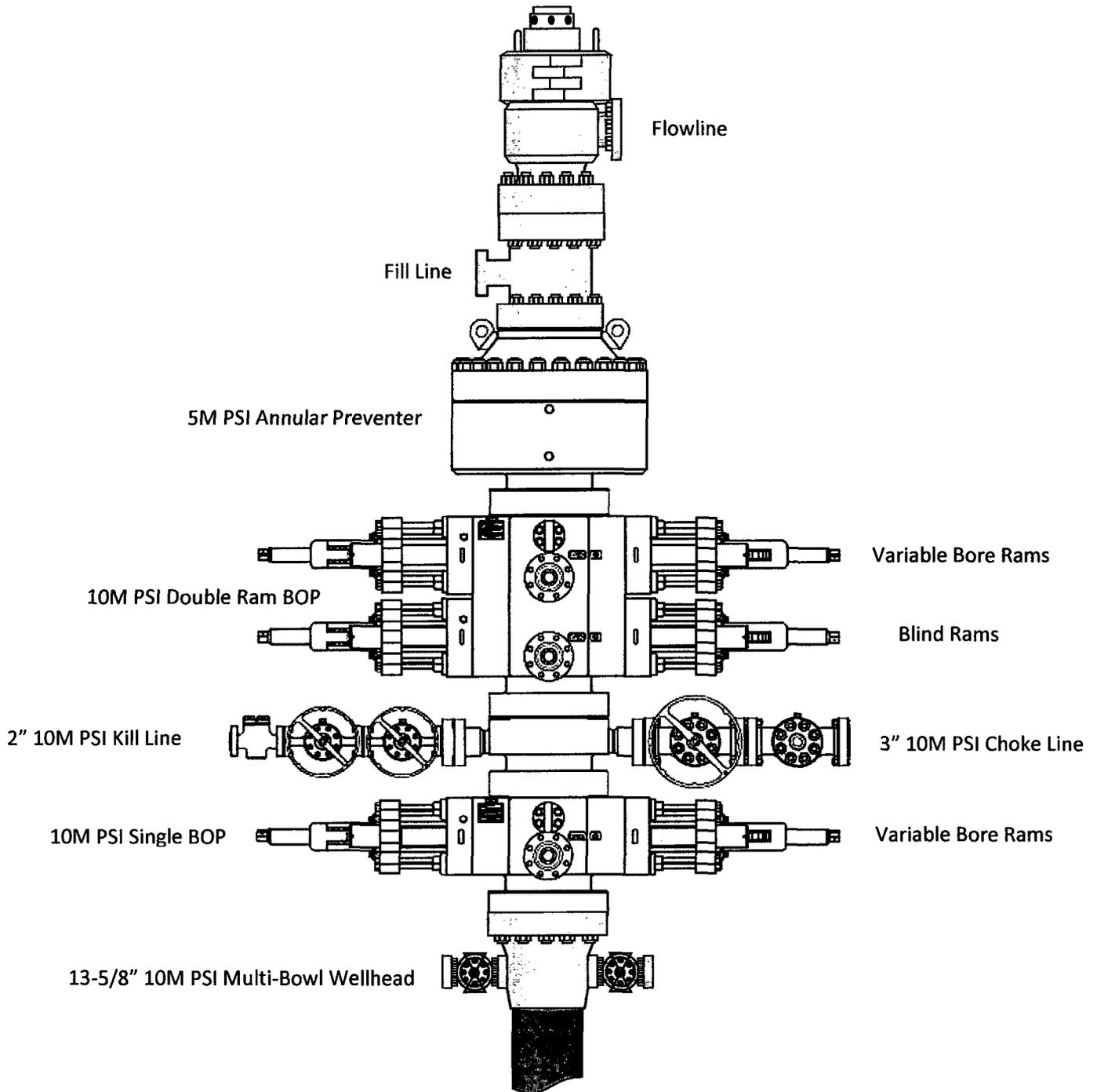
| 12-1/4" Intermediate Hole Section 10M psi requirement | | | | | |
|--|---------------------|-------------------|-----|--|------------|
| Component | OD | Primary Preventer | RWP | Alternate Preventer(s) | RWP |
| Drillpipe | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| HWDP | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Jars | 6.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| DCs and MWD tools | 6.500" – 8.000" | Annular | 5M | - | - |
| Mud Motor | 8.000" – 9.625" | Annular | 5M | - | - |
| 1 st Intermediate casing | 9.625" | Annular | 5M | - | - |
| Open-hole | - | Blind Rams | 10M | - | - |

| 8-3/4" Intermediate Hole Section 10M psi requirement | | | | | |
|---|---------------------|-------------------|-----|--|------------|
| Component | OD | Primary Preventer | RWP | Alternate Preventer(s) | RWP |
| Drillpipe | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| HWDP | 5.000" or 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Jars | 6.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| DCs and MWD tools | 6.500" – 8.000" | Annular | 5M | - | - |
| Mud Motor | 6.750" – 8.000" | Annular | 5M | - | - |
| 2 nd Intermediate casing | 7.625" | Annular | 5M | - | - |
| Open-hole | - | Blind Rams | 10M | - | - |

| 6-3/4" Production Hole Section 10M psi requirement | | | | | |
|---|-----------------|-------------------|-----|--|------------|
| Component | OD | Primary Preventer | RWP | Alternate Preventer(s) | RWP |
| Drillpipe | 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| HWDP | 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| DCs and MWD tools | 4.750" – 5.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Mud Motor | 4.750" – 5.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Mud Motor | 5.500" – 5.750" | Annular | 5M | - | - |
| Production casing | 5.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Open-hole | - | Blind Rams | 10M | - | - |

VBR = Variable Bore Ram

EOG Resources 13-5/8" 10M PSI BOP Stack



2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the EOG Resources drilling supervisor's office on location, and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

General Procedure While Drilling

1. Sound alarm (alert crew)
2. Space out drill string
3. Shut down pumps (stop pumps and rotary)
4. Shut-in Well (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

1. Sound alarm (alert crew)
2. Stab full opening safety valve and close
3. Space out drill string
4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

1. Sound alarm (alert crew)
2. Stab crossover and full opening safety valve and close
3. Space out string

4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

1. Sound alarm (alert crew)
2. Shut-in with blind rams. (HCR and choke will already be in the closed position.)
3. Confirm shut-in
4. Notify toolpusher/company representative
5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
6. Regroup and identify forward plan

General Procedures While Pulling BHA thru Stack

1. PRIOR to pulling last joint of drillpipe thru the stack.
 - a. Perform flowcheck, if flowing:
 - b. Sound alarm (alert crew)
 - c. Stab full opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper variable bore rams.
 - e. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
2. With BHA in the stack and compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full opening safety valve and close
 - c. Space out drill string with upset just beneath the upper variable bore rams.
 - d. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP and SICP

- ii. Pit gain
 - iii. Time
 - h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. If possible to pick up high enough, pull string clear of the stack and follow “Open Hole” scenario.
 - c. If impossible to pick up high enough to pull the string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper variable bore ram.
 - f. Shut-in using upper variable bore ram. (HCR and choke will already be in the closed position.)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - j. Regroup and identify forward plan

See previously attached Drill Plan

See previously attached Drill Plan

See previously attached Drill Plan

EOG RESOURCES, INC.
GREEN DRAKE 16 FED COM NO. 704H

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

| | |
|-----------------------------------|---------|
| Rustler | 1,014' |
| Top of Salt | 1,339' |
| Base of Salt | 4,708' |
| Lamar | 4,956' |
| Bell Canyon | 4,979' |
| Cherry Canyon | 5,964' |
| Brushy Canyon | 7,560' |
| Bone Spring Lime | 9,101' |
| 1 st Bone Spring Sand | 10,105' |
| 2 nd Bone Spring Shale | 10,318' |
| 2 nd Bone Spring Sand | 10,608' |
| 3 rd Bone Spring Carb | 11,155' |
| 3 rd Bone Spring Sand | 11,807' |
| Wolfcamp | 12,265' |
| TD | 12,315' |

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

| | | |
|-----------------------------------|---------|-------------|
| Upper Permian Sands | 0- 400' | Fresh Water |
| Cherry Canyon | 5,964' | Oil |
| Brushy Canyon | 7,560' | Oil |
| 1 st Bone Spring Sand | 10,105' | Oil |
| 2 nd Bone Spring Shale | 10,318' | Oil |
| 2 nd Bone Spring Sand | 10,608' | Oil |
| 3 rd Bone Spring Carb | 11,155' | Oil |
| 3 rd Bone Spring Sand | 11,807' | Oil |
| Wolfcamp | 12,265' | 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 1,040' and circulating cement back to surface.

**EOG RESOURCES, INC.
GREEN DRAKE 16 FED COM NO. 704H**

4. CASING PROGRAM - NEW

| Hole Size | Interval | Csg OD | Weight | Grade | Conn | DF _{min} Collapse | DF _{min} Burst | DF _{min} Tension |
|-----------|-----------------|---------|--------|---------|-------------|----------------------------|-------------------------|---------------------------|
| 17.5" | 0 – 1,040' | 13.375" | 54.5# | J55 | LTC | 1.125 | 1.25 | 1.60 |
| 12.25" | 0 – 4,000' | 9.625" | 40# | J55 | LTC | 1.125 | 1.25 | 1.60 |
| 12.25" | 4,000' – 4,800' | 9.625" | 40# | HCK55 | LTC | 1.125 | 1.25 | 1.60 |
| 8.75" | 0 – 11,300' | 7.625" | 29.7# | HCP-110 | FXL | 1.125 | 1.25 | 1.60 |
| 6.75" | 0' – 10,800' | 5.5" | 20# | P-110EC | DWC/C-IS MS | 1.125 | 1.25 | 1.60 |
| 6.75" | 10,800'-19,899' | 5.5" | 20# | P-110EC | VAM SFC | 1.125 | 1.25 | 1.60 |

Variance is requested to wave the centralizer requirements for the 7-5/8" FJ casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation.

Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

Variance is also requested for the 7-5/8" x 5-1/2" casing (minimum clearance) from the top of the cement overlap to surface.

Cementing Program:

| Depth | No. Sacks | Wt. ppg | Yld Ft ³ /ft | Mix Water Gal/sk | Slurry Description |
|-------------------|-----------|---------|-------------------------|------------------|---|
| 13-3/8" 1,040' | 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) |
| | 200 | 14.8 | 1.34 | 6.34 | Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate |
| 9-5/8" 4,800' | 1780 | 12.7 | 2.20 | 11.64 | Lead: Class C + 0.15% C-20 + 11.63 pps Salt + 0.1% C-51 + 0.75% C-41P (TOC @ Surface) |
| | 200 | 16.0 | 1.12 | 4.75 | Tail: Class C + 0.13% C-20 |
| 7-5/8" 11,300' | 340 | 11.5 | 2.72 | 15.70 | Lead: Class C + 0.40% D013 + 0.20% D046 + 0.10% D065 + 0.20% D167 (TOC @ 4,300') |
| | 210 | 16.0 | 1.12 | 4.74 | Tail: Class H + 94.0 pps D909 + 0.25% D065 + 0.30% D167 + 0.02% D208 + 0.15% D800 |
| 5-1/2" 19,899' | 950 | 14.1 | 1.26 | 5.80 | Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17 (TOC @ 10,800') |

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.

**EOG RESOURCES, INC.
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5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

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 (10,000-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.

Variance is requested to use a 5,000 psi annular BOP with the 10,000 psi BOP stack.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 10,000/ 250 psig and the annular preventer to 5,000/ 250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 10,000/ 250 psig and the annular preventer to 5000/ 250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

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.

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.

| Depth | Type | Weight (ppg) | Viscosity | Water Loss |
|------------------------------|-------------|---------------------|------------------|-------------------|
| 0 – 1,040' | Fresh - Gel | 8.6-8.8 | 28-34 | N/c |
| 1,040' – 4,800' | Brine | 10.0-10.2 | 28-34 | N/c |
| 4,800' – 11,300' | Oil Base | 8.7-9.4 | 58-68 | N/c - 6 |
| 11,300' – 19,899' Lateral | Oil Base | 10.0-14.0 | 58-68 | 3 - 6 |

EOG RESOURCES, INC.
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The highest mud weight needed to balance formation is expected to be 11.5 ppg. In order to maintain hole stability, mud weights up to 14.0 ppg may be utilized.

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:

Open-hole logs are not planned for this well.

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

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

The estimated bottom-hole temperature (BHT) at TD is 181 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 8965 psig (based on 14.0 ppg MW). No hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. Severe loss circulation is expected from 7,300' to Intermediate casing point.

EOG RESOURCES, INC.
GREEN DRAKE 16 FED COM NO. 704H

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.

(A) EOG Resources requests the option to contract a Surface Rig to drill, set surface casing, and cement on the subject well. After WOC 8 hours or 500 psi compressive strength (whichever is greater), the Surface Rig will move off so the wellhead can be installed. A welder will cut the casing to the proper height and weld on the wellhead (both "A" and "B" sections). The weld will be tested to 1000 psi. All valves will be closed and a wellhead cap will be installed (diagram attached). If the timing between rigs is such that EOG Resources would not be able to preset the surface, the Primary Rig will MIRU and drill the well in its entirety per the APD.

11. WELLHEAD:

A multi-bowl wellhead system will be utilized.

After running the 13-3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 10,000 psi pressure test. This pressure test will be repeated at least every 30 days, as per Onshore Order No. 2

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 10,000 psi.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi.

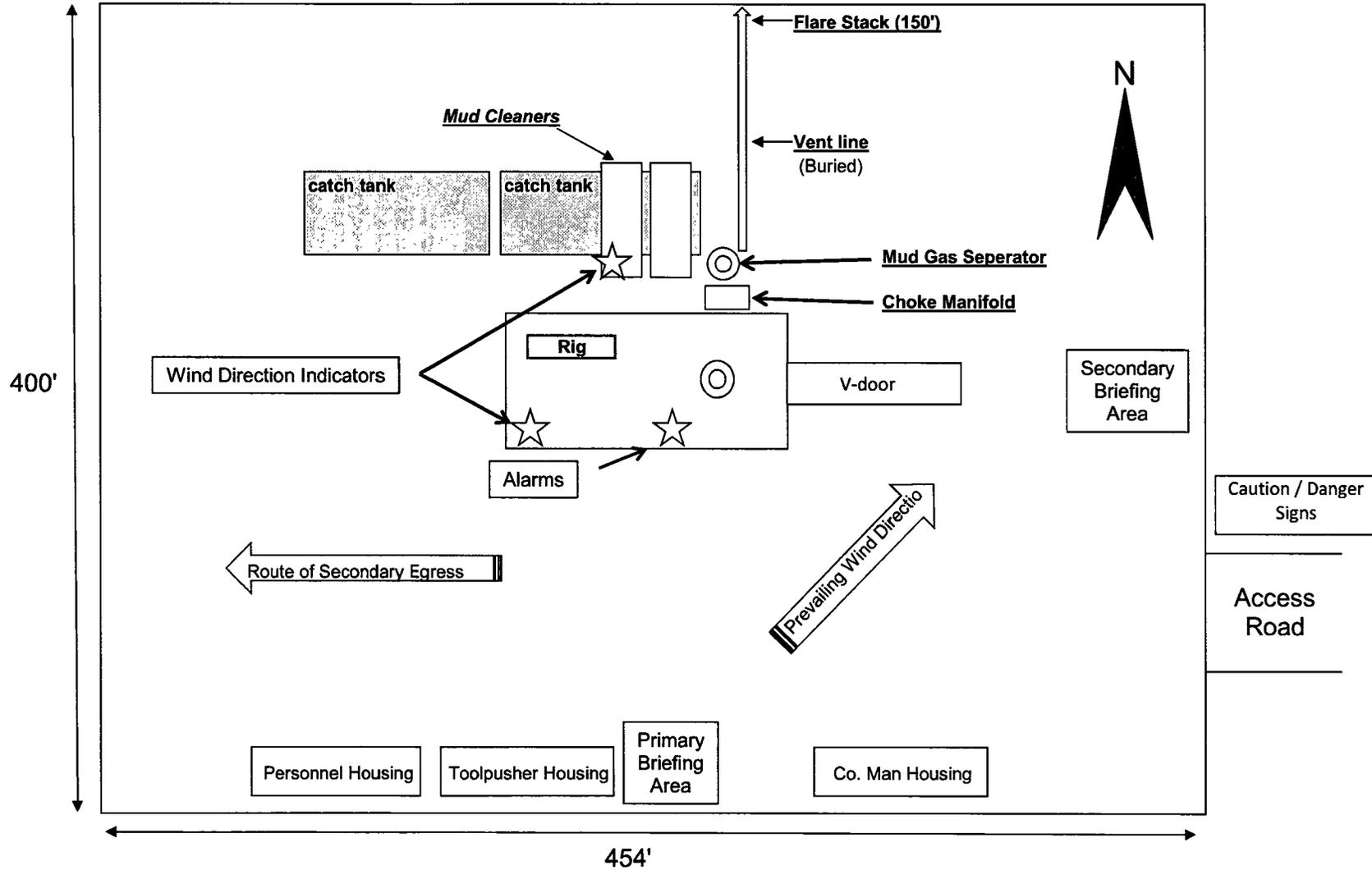
Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

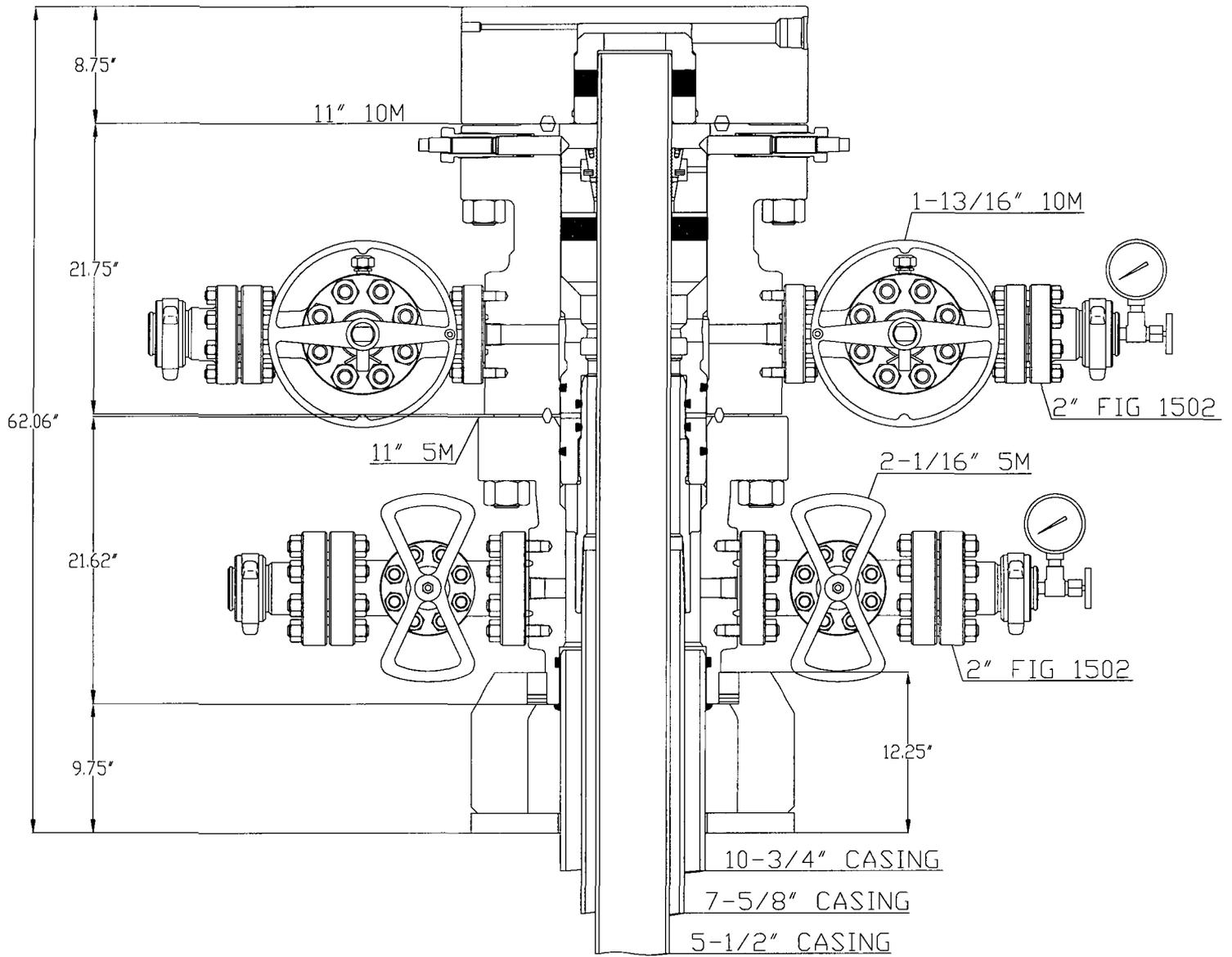
See previously attached Drill Plan

See previously attached Drill Plan

Exhibit 4
EOG Resources
Green Drake 16 Fed Com #704H

Well Site Diagram





*CONCEPT QUOTE DRAWING
 *DIMENSIONS ARE APPROXIMATE

EOG RESOURCES
 10-3/4" X 7-5/8" X 5-1/2"
 FBD-100 WELLHEAD SYSTEM
 QUOTE: HOU - 102101

| | | |
|-----|-----|---------|
| DWN | BAY | 2/22/17 |
| CHK | | |
| APP | | |
| | BY | DATE |



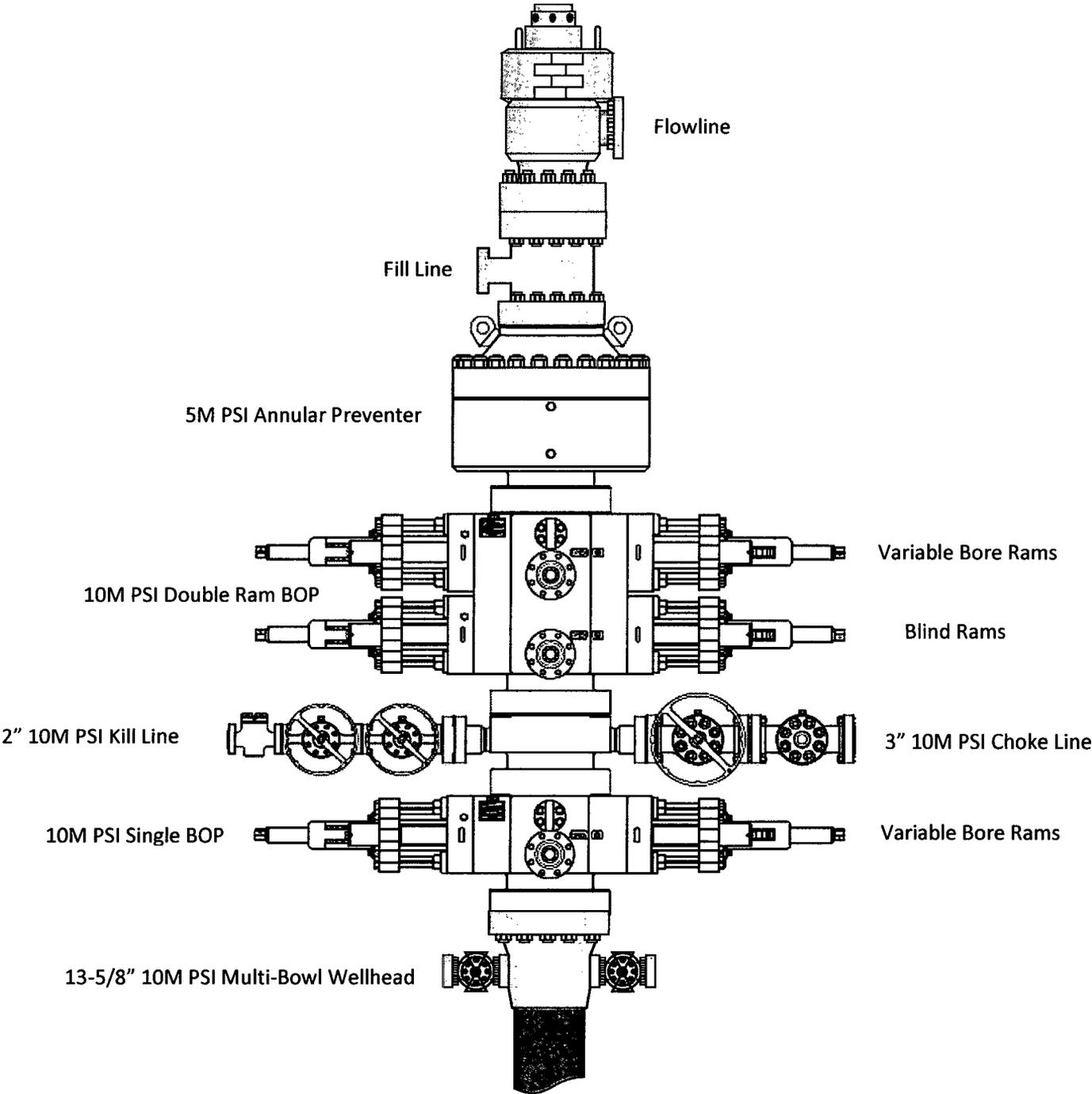
Worldwide Expertise - Global Strength

DRAWING NO
 WH-16618

| 6-3/4" Production Hole Section 10M psi requirement | | | | | |
|---|-----------------|--------------------------|------------|--|------------|
| Component | OD | Primary Preventer | RWP | Alternate Preventer(s) | RWP |
| Drillpipe | 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| HWDP | 4.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| DCs and MWD tools | 4.750" – 5.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Mud Motor | 4.750" – 5.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Mud Motor | 5.500" – 5.750" | Annular | 5M | - | - |
| Production casing | 5.500" | Annular | 5M | Upper 3.5 - 5.5" VBR Lower 3.5 - 5.5" VBR | 10M 10M |
| Open-hole | - | Blind Rams | 10M | - | - |

VBR = Variable Bore Ram

EOG Resources 13-5/8" 10M PSI BOP Stack



2. Well Control Procedures

Below are the minimal high-level tasks prescribed to assure a proper shut-in while drilling, tripping, running casing, pipe out of the hole (open hole), and moving the BHA through the BOPs. At least one well control drill will be performed weekly per crew to demonstrate compliance with the procedure and well control plan. The well control drill will be recorded in the daily drilling log. The type of drill will be determined by the ongoing operations, but reasonable attempts will be made to vary the type of drill conducted (pit, trip, open hole, choke, etc.). This well control plan will be available for review by rig personnel in the EOG Resources drilling supervisor's office on location, and on the rig floor. All BOP equipment will be tested as per Onshore O&G Order No. 2 with the exception of the 5000 psi annular which will be tested to 70% of its RWP.

General Procedure While Drilling

1. Sound alarm (alert crew)
2. Space out drill string
3. Shut down pumps (stop pumps and rotary)
4. Shut-in Well (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Tripping

1. Sound alarm (alert crew)
2. Stab full opening safety valve and close
3. Space out drill string
4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure While Running Production Casing

1. Sound alarm (alert crew)
2. Stab crossover and full opening safety valve and close
3. Space out string

4. Shut-in (uppermost applicable BOP, typically annular preventer first. HCR and choke will already be in the closed position.)
5. Confirm shut-in
6. Notify toolpusher/company representative
7. Read and record the following:
 - a. SIDPP and SICP
 - b. Pit gain
 - c. Time
8. Regroup and identify forward plan
9. If pressure has built or is anticipated during the kill to reach 70% or greater of the RWP of the annular preventer, confirm spacing and close the upper variable bore rams.

General Procedure With No Pipe In Hole (Open Hole)

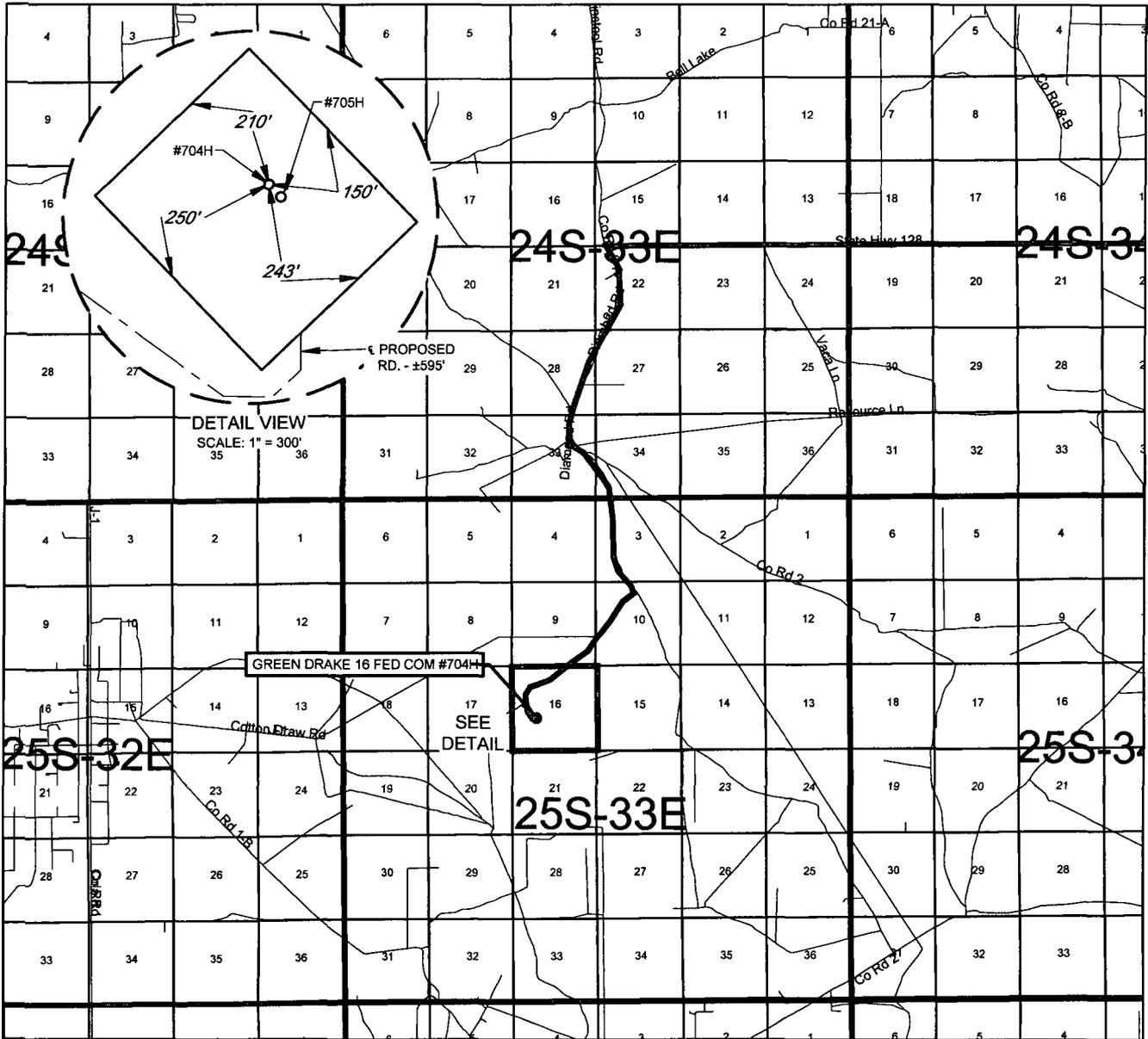
1. Sound alarm (alert crew)
2. Shut-in with blind rams. (HCR and choke will already be in the closed position.)
3. Confirm shut-in
4. Notify toolpusher/company representative
5. Read and record the following:
 - a. SICP
 - b. Pit gain
 - c. Time
6. Regroup and identify forward plan

General Procedures While Pulling BHA thru Stack

1. PRIOR to pulling last joint of drillpipe thru the stack.
 - a. Perform flowcheck, if flowing:
 - b. Sound alarm (alert crew)
 - c. Stab full opening safety valve and close
 - d. Space out drill string with tool joint just beneath the upper variable bore rams.
 - e. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - f. Confirm shut-in
 - g. Notify toolpusher/company representative
 - h. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - i. Regroup and identify forward plan
2. With BHA in the stack and compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. Stab crossover and full opening safety valve and close
 - c. Space out drill string with upset just beneath the upper variable bore rams.
 - d. Shut-in using upper variable bore rams. (HCR and choke will already be in the closed position.)
 - e. Confirm shut-in
 - f. Notify toolpusher/company representative
 - g. Read and record the following:
 - i. SIDPP and SICP

- ii. Pit gain
 - iii. Time
 - h. Regroup and identify forward plan
- 3. With BHA in the stack and NO compatible ram preventer and pipe combo immediately available.
 - a. Sound alarm (alert crew)
 - b. If possible to pick up high enough, pull string clear of the stack and follow “Open Hole” scenario.
 - c. If impossible to pick up high enough to pull the string clear of the stack:
 - d. Stab crossover, make up one joint/stand of drillpipe, and full opening safety valve and close
 - e. Space out drill string with tooljoint just beneath the upper variable bore ram.
 - f. Shut-in using upper variable bore ram. (HCR and choke will already be in the closed position.)
 - g. Confirm shut-in
 - h. Notify toolpusher/company representative
 - i. Read and record the following:
 - i. SIDPP and SICP
 - ii. Pit gain
 - iii. Time
 - j. Regroup and identify forward plan

EXHIBIT 2
VICINITY MAP



LEASE NAME & WELL NO.: GREEN DRAKE 16 FED COM #704H

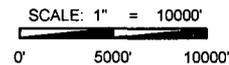
SECTION 16 TWP 25-S RGE 33-E SURVEY N.M.P.M.
 COUNTY LEA STATE NM
 DESCRIPTION 2075' FSL & 1560' FWL

DISTANCE & DIRECTION

FROM INT. OF NM-18. & NM-128. GO WEST ON NM-128 FOR ±23.9 MILES. THENCE SOUTH (LEFT) ON DIAMOND RD. FOR ±2.5 MILES. THENCE SOUTHEAST (LEFT) ON COUNTY RD. 2 FOR ±0.2 MILES. THENCE SOUTHEAST (RIGHT) ON VACA RD. ±1.8 MILES, THENCE SOUTHWEST (RIGHT) ON LEASE RD. ±2.1 MILES, THENCE SOUTHEAST (LEFT) PROPOSED RD. FOR ±595 FEET TO A POINT ±286 FEET SOUTH OF THIS LOCATION.

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY EOG RESOURCES, INC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.



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U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data Report

01/08/2019

Bond Information

Federal/Indian APD: FED

BLM Bond number: NM2308

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: