

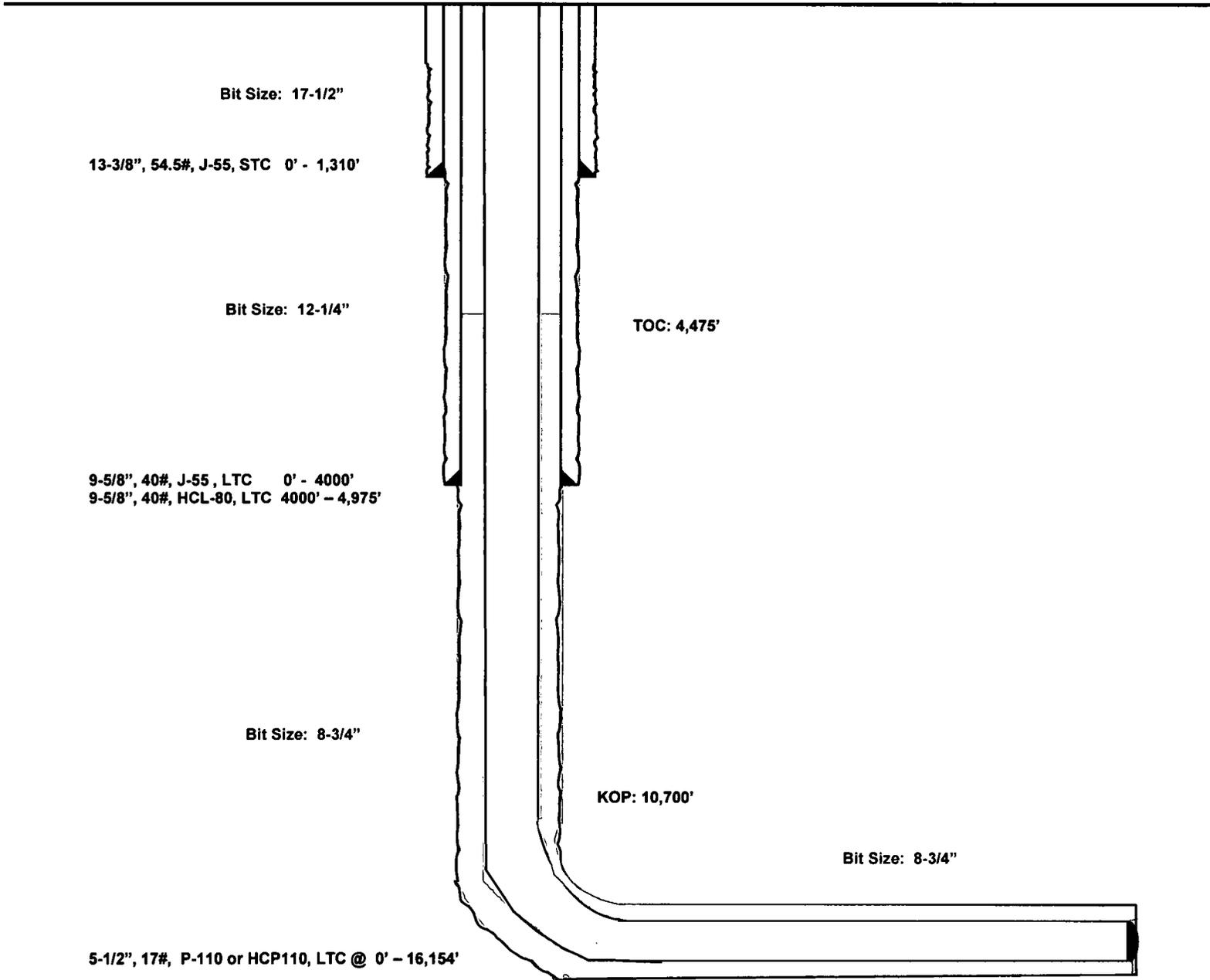
Ares 4 State #503H
Lea County, New Mexico

Proposed Wellbore

395' FSL
430' FEL
Section 4
T-24-S, R-33-E

API: 30-025-*****

KB: 3,609'
GL: 3,584'



Lateral: 16,154' MD, 11,214' TVD
BH Location: 100' FNL & 1,400' FEL
Section 4
T-24-S, R-33-E

**EOG RESOURCES, INC.
ARES 4 STATE #503H**

Permit Information:

Well Name: Ares 4 State #503H

Location:

SHL: 395' FSL & 430' FEL, Section 4, T-24-S, R-33-E, Lea Co., N.M.

BHL: 100' FNL & 1,400' FEL, Section 4, T-24-S, R-33-E, Lea Co., N.M.

Casing Program:

| Hole Size | Interval | Csg OD | Weight | Grade | Conn | DF _{min} Collapse | DF _{min} Burst | DF _{min} Tension |
|-----------|----------------|---------|--------|---------|------|----------------------------|-------------------------|---------------------------|
| 17.5" | 0' - 1,310' | 13.375" | 54.5# | J-55 | STC | 1.125 | 1.25 | 1.60 |
| 12.25" | 0' - 4,000' | 9.625" | 40# | J-55 | LTC | 1.125 | 1.25 | 1.60 |
| 12.25" | 4000' - 4,975' | 9.625" | 40# | HCL-80 | LTC | 1.125 | 1.25 | 1.60 |
| 8.75" | 0' - 16,154' | 5.5" | 17# | HCP-110 | LTC | 1.125 | 1.25 | 1.60 |

Cement Program:

| Depth | No. Sacks | Wt. ppg | Yld Ft ³ /ft | Slurry Description |
|---------|-----------|---------|-------------------------|--|
| 1,310' | 410 | 13.5 | 1.73 | Lead: Class C + 4.0% Bentonite + 0.5% CaCl ₂ + 0.25 lb/sk Cello-Flake (TOC @ Surface) |
| | 160 | 14.8 | 1.34 | Tail: Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate |
| 4,975' | 470 | 9.0 | 3.5 | Lead: Class C + 10% NaCl + 6% Bentonite Gel + 3% MagOx (TOC @ Surface) |
| | 320 | 14.4 | 1.20 | Tail: Class C + 10% NaCl + 3% MagOx |
| 16,154' | 1,590 | 11.0 | 3.21 | Lead: Class C + 3% CaCl ₂ + 3% Microbond (TOC @ 4,475') |
| | 2,550 | 14.4 | 1.2 | Tail: Class H + 0.4% Halad-344 + 0.35% HR-601 + 3% Microbond |

Mud Program:

| Depth | Type | Weight (ppg) | Viscosity | Water Loss |
|------------------------------|-------------|--------------|-----------|------------|
| 0' - 1,310' | Fresh - Gel | 8.6-8.8 | 28-34 | N/c |
| 1,310' - 4,975' | Brine | 10.0-10.2 | 28-34 | N/c |
| 4,975' - 10,700' | Cut Brine | 8.4-9.0 | 28-34 | N/c |
| 10,700' - 16,154' Lateral | Oil Base | 9.0-9.5 | 40-42 | 8-10 |

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Hydrogen Sulfide Plan Summary

- A. All personnel shall receive proper H₂S training in accordance with Onshore Order III.C.3.a.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment:

- Well control equipment
 - a. Flare line 150' from wellhead to be ignited by flare gun.
 - b. Choke manifold with a remotely operated choke.
 - c. Mud/gas separator
- Protective equipment for essential personnel.

Breathing apparatus:

- a. Rescue Packs (SCBA) — 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
- b. Work/Escape packs — 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity.
- c. Emergency Escape Packs — 4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

- a. Stretcher
 - b. Two OSHA full body harness
 - c. 100 ft 5/8 inch OSHA approved rope
 - d. 1-20# class ABC fire extinguisher
- H₂S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.
(Gas sample tubes will be stored in the safety trailer)
 - Visual warning systems.
 - a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
 - b. A colored condition flag will be on display, reflecting the current condition at the site at the time.
 - c. Two wind socks will be placed in strategic locations, visible from all angles.

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- **Mud program:**
The mud program has been designed to minimize the volume of H₂S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H₂S bearing zones.

- **Metallurgy:**
All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H₂S service.

- **Communication:**
Communication will be via cell phones and land lines where available.

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Emergency Assistance Telephone List

PUBLIC SAFETY: **911 or**

| | |
|---------------------------------|----------------|
| Lea County Sheriff's Department | (575) 396-3611 |
| Rod Coffman | |
| Fire Department: | |
| Carlsbad | (575) 885-3125 |
| Artesia | (575) 746-5050 |
| Hospitals: | |
| Carlsbad | (575) 887-4121 |
| Artesia | (575) 748-3333 |
| Hobbs | (575) 392-1979 |
| Dept. of Public Safety/Carlsbad | (575) 748-9718 |
| Highway Department | (575) 885-3281 |
| New Mexico Oil Conservation | (575) 476-3440 |
| U.S. Dept. of Labor | (575) 887-1174 |

EOG Resources, Inc.

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|---------------|-----------------------|
| EOG / Midland | Office (432) 686-3600 |
|---------------|-----------------------|

Company Drilling Consultants:

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|-----------------|---------------------|
| David Dominique | Cell (985) 518-5839 |
| Mike Vann | Cell (817) 980-5507 |

Drilling Engineer

| | |
|---------------|-----------------------|
| Steve Munsell | Office (432) 686-3609 |
| | Cell (432) 894-1256 |

Drilling Manager

| | |
|---------|-----------------------|
| Aj Dach | Office (432) 686-3751 |
| | Cell (817) 480-1167 |

Drilling Superintendent

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|---------------|-----------------------|
| Domingo Lopez | Office (432) 686-3702 |
| | Cell (432) 215-9452 |

H&P Drilling

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|----------------------|-----------------------|
| H&P Drilling | Office (432) 563-5757 |
| H&P 651 Drilling Rig | Rig (903) 509-7131 |

Tool Pusher:

| | |
|-----------------|---------------------|
| Johnathan Craig | Cell (817) 760-6374 |
| Brad Garrett | |

Safety

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|------------------------------|-----------------------|
| Brian Chandler (HSE Manager) | Office (432) 686-3695 |
| | Cell (817) 239-0251 |