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

Oil Conservation Divsiion
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

[1] Operator Name and Address	[2] OGRID Number
EOG Resources Inc. P.O. Box 2267 Midland, Texas 79702	7377 ✓ [3] API Number 30- 025-36264

[4] Property Code	[5] Property Name	[6] Well No.
32224 ✓	Giant Stone Fly 1 ✓	1 ✓

[9] Proposed Pool 1	[10] Proposed Pool 2
Shoe Bar; Atoka, North (Gas) ✓	

[7] Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
E	1	16S	35E		2264	North	1018	West	Lea

[8] Proposed 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
E	1	16S	35E		2304	North	947	West	Lea

Additional Well Location

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
P	G	R	S P	3974
[16] Multiple	[17] Proposed Depth	[18] Formation	[19] Contractor	[20] Spud Date
N	12860	Atoka		ASAP

Depth to ground water	Distance from nearest fresh water well	Distance from nearest surface water

Pit: Liner: Synthetic ☐ _____ mils thick Clay ☐ Pit Volume _____ bbls Drilling Method:

Closed-Loop System ☐ Fresh Water ☐ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4	11 3/4	42	483	305	Surface
11	8 5/8	32	4770	1350	Surface
7 7/8	5 1/2	17	12857	1810	3230

[22] Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Procedure plugback from existing Morrow perfs 11957' - 11969' to add upper Atoka perforations:
MIRU. Nipple up BOP
Set 4 1/2" CIBP @ +/- 11880'. Dump bail 35' of cement on the CIBP. Test CIBP & casing.
Perforate Atoka from 11695' to 11701'.

BOP schematic attached.

Permit Expires 1 Year From Approval Data Unless Drilling Underway

Plugback

Received Hobbs OCD MAY 01 2007

[23] I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐ a general permit ☐, or an (attached) alternative ~~OCD~~-approved plan ☐.

Signature: Stan Wagner

Printed name: Stan Wagner

Title: Regulatory Analyst

E-mail Address:

Date: 4/23/07

Phone: 432 686 3689

OIL CONSERVATION DIVISION

Approved by: Chris Williams

Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date: MAY 04 2007

Expiration Date:

Conditions of Approval:

Attached ☐

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

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1000 Rio Brazos Rd., Aztec, NM 87410

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1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-025-36264	96763	Shoe Bar; Atoka, North (Gas)

[4] Property Code	[5] Property Name	[6] Well Number
32224	GIANT STONE FLY "1"	1

[7] OGRID No.	[8] Operator Name	[9] Elevation
7377	EOG RESOURCES, INC.	3974'

[10] Surface Location

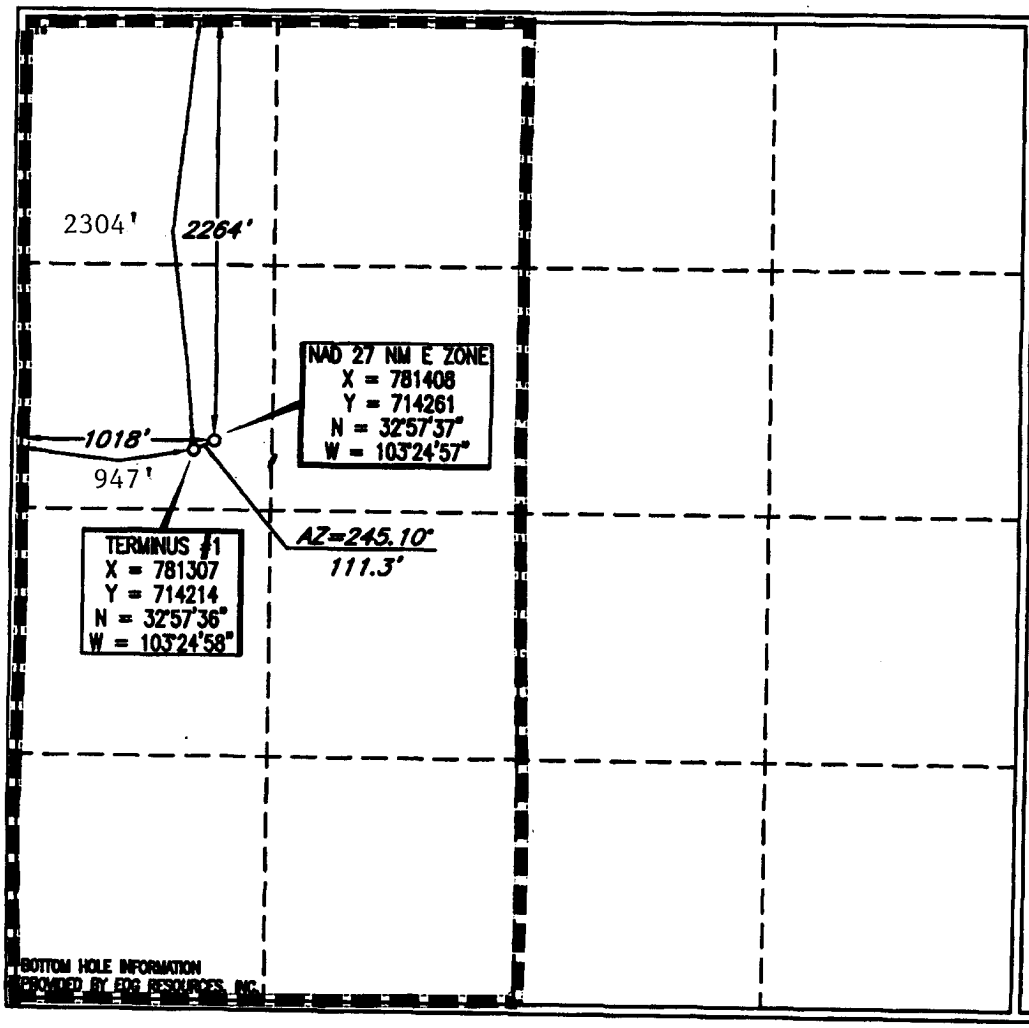
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	1	16 SOUTH	35 EAST, N.M.P.M.		2264'	NORTH	1018'	WEST	LEA

[11] 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
E	1	16 SOUTH	35 EAST, N.M.P.M.		2304	NORTH	947	WEST	LEA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
320			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



[17] OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: Stan Wagner

Printed Name: Stan Wagner

Title: Regulatory Analyst

Date: 4/24/07

[18] 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.

MARCH 19, 2003

Date of Survey

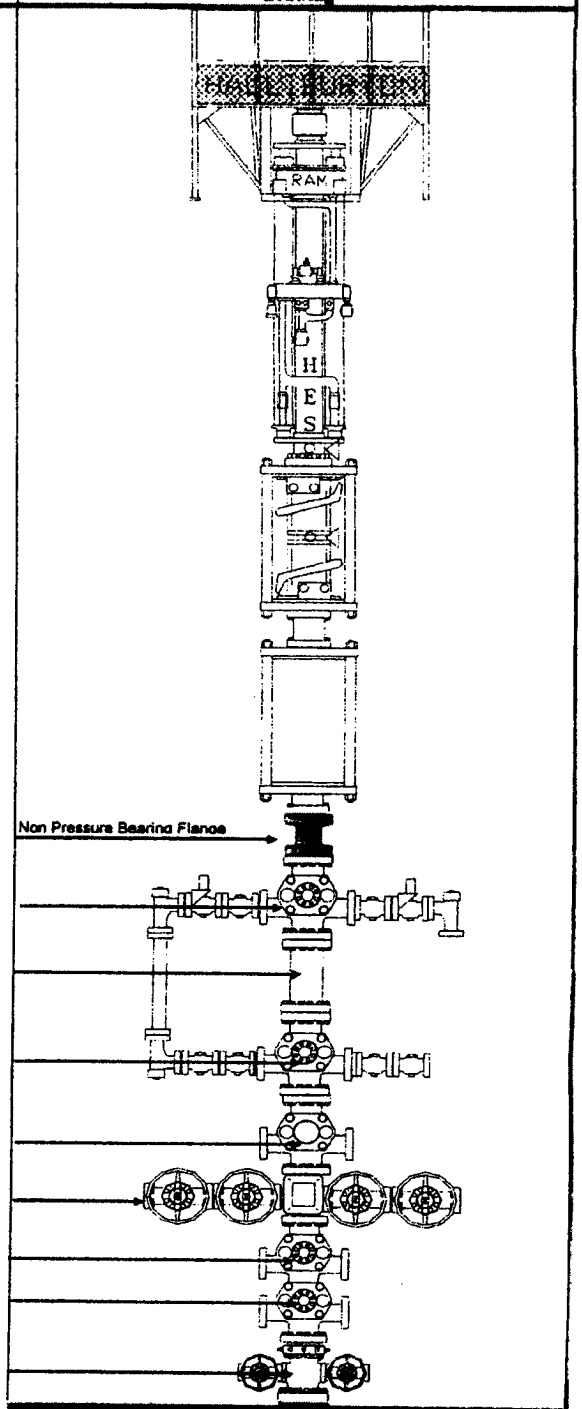
Signature and Seal of Professional Surveyor

STATE OF NEW MEXICO
V. LYNN BEZNER
NO. 7920
PROFESSIONAL LAND SURVEYOR

Certificate Number V. L. BEZNER R.P.S. #7920

JOB #86610-A / 96 NE / J.C.P.

Item	Equipment Description	I.D.	Weight	Length	Drawing
1	Halliburton 200K HWO Unit			35.00	
2	7 1/16" 10M x 7 1/16" 5M Adp. Spool	7.060		1.00	
3	7 1/16" 10M Cameron Type U - 3 1/2" Stripper	7.060		2.70	
4	7 1/16" 10M Stripper Spacer Spool			3.00	
5	7 1/16" 10M Cameron Type U - 3 1/2" Stripper	7.060		2.70	
6	7 1/16" 10M Cameron Type U - 3 1/2"Pipe	7.060		2.70	
7	7 1/16" 10M Drilling Spool	7.060		1.50	
8	7 1/16" 10M Cameron Type U - Blind Rams	7.060			
	7 1/16" 10M Cameron Type U - 3 1/2"Pipe	7.060		4.20	
9	Tubing/Casing Spool "B" Section				
	Note: Items #6 thru #9 on well prior to HWO/Snubbing Unit R/U	Minimum I.D.	7.060		
		Total Weight			
		Total Length	52.80		



Please note that all OD's and I/D's are approximate and are given as a guideline only

H.H.A Prepared by	Date
John Keys	2-Apr-07

EOG RESOURCES INC.
GIANT STONEFLY #1
PROCEDURE TO PLUGBACK TO THE ATOKA FORMATION

Well Information:

Location: 2264' FNL & 1018' FWL
Section 1, T16S, R35E
Lea County, New Mexico
API No: 30-025-36264

AFE No:
PBTD: 12,677'

Casing: 11-3/4" 42 ppf H40 STC @ 483' (Cemented to Surface)
8-5/8" 32 ppf HCK55/J55 STC @ 4770' (Cemented to Surface)
4-1/2" 11.6 ppf HCP110 LTC @ 12857'
(TOC = 3230' Temp Survey)(On the completion -- loaded the 4-1/2" x 8-5/8" annulus with 2 bbls and tested with 2000 psi)

Tubing: 2-3/8" 4.7 ppf L80 EUE. 4-1/2" 10K Halliburton PLS packer set at 11831'

Wellhead: 7-1/16" 10,000 psi with a 2-1/16" 10,000 psi tree

OD	WT	Grade	Burst	Collapse	ID	Drift
11-3/4	42	H40	1980	1040	11.084	11.000
8-5/8	32	HCK55/J55	3930	2530	7.921	7.875
4-1/2	11.6	HCP110	10690	8650	4.000	3.875
2-3/8	4.7	L80	11200	11780	1.995	1.901

Present Perforations: 11,937' – 11,945' (Atoka)(Shot with 1-9/16" guns)
11,950' – 11,957' (Atoka)(Shot with 1-9/16" guns)
11,957' – 11,969' (Atoka)(Power Perfed)

Proposed Perforations: 11,695' – 11,701' (Atoka)(Power Perf)

Directions to Well: From the intersection of Highway 18 and Highway 82 in Lovington, New Mexico, go West on Highway 82 for 3.1 miles. Turn right (North) on Zip Franklin Road (airport entrance) and go 0.3 miles. Turn left (West) on caliche road and go 0.4 miles. Turn right (North) and go 0.3 miles. Turn left (West) through cattle guard and go 0.1 miles. Turn right (North) and go 0.6 miles. Turn right into location.

Procedure to plugback in the Atoka formation:

1) Move in and rig up pulling unit.

2) Nipple down the 2-1/16" 10,000 psi tree. Nipple up 7-1/16" 10,000 psi Bop.

3) Release the 4-1/2" Halliburton PLS packer and pull out of the hole standing back the 2-3/8" production tubing. Lay down the packer.

4) Rig up wireline unit. Make a gauge ring and junk basket run. Set a 4-1/2" 11.6 ppf CIBP at +/- 11880'. Dump bail 35' of cement on the bridge plug to +/- 11845'. This will abandon the present Atoka perforations.

5) Trip in the hole with a 3-7/8" bit on the 2-3/8" 6.5# L80 EUE tubing to +/- 11800'. Load the hole and circulate with inhibited (1gpt Anhib II) 7% KCL water. Test the bridge plug and casing to 7000 psi. Spot 100 gals 15% HCL acid from +/- 11800' to 11647' for perforating.

6) Pull out of the hole standing the 2-3/8" tubing back in the derrick.

7) Pick up the 3-3/8" TCP Power Perf guns, firing head, 1 joint of 2-3/8" tubing, 2-3/8" tubing release sub with 1.81" latch, 1 joint of 2-3/8" tubing, 2-3/8" 1.875" ID "XN" nipple, 1 joint of 2-3/8" tubing, 4-1/2" 10K PLS packer, on/off tool with 1.875" "X" nipple profile, 1 joint of 2-3/8" tubing, Key Locator sub, and the 2-3/8" production tubing. Run the tubing dry – do not fill up the tubing going in the hole. Test the tubing while going in the hole to 10500 psi.

8) Run a GR/CCL to space out the guns to perforate the Atoka formation from 11695' – 11701'. (Correlate to the Gamma Ray/Neutron log dated 6/15/2003). Set the packer with 12000 to 16000 pounds of compression and land the tubing hanger in the tubing head.

9) Nipple down the 7-1/16" 10000 psi Bops and the 7-1/16" 10000 psi x 7-1/16" 5000 psi adapter. Nipple up a 2-1/16" 10000 psi tree. Install wellhead isolation tool.

10) Rig up the nitrogen unit and test lines. Also rig up to flow the well back for testing. Pressure the 2-3/8" x 4-1/2" annulus with 2500 psi.

11) Pressure up with the nitrogen to 10500 psi to fire the guns. Maintain this pressure on the tubing until the pressure drops on the tubing indicating the guns have fired. Pump down the tubing with nitrogen for approximately 3 minutes at a minimum rate of 10000 SCFM.

12) Flow and test well.