

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

Form C-101
May 27, 2004

RECEIVED

FEB 09 2009

HOBBSOCD

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

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 EOG Resources Inc. P.O. Box 2267 Midland, Texas 79702		² OGRID Number 7377
⁴ Property Code 31003		³ API Number 30- 025-36090
⁵ Property Name San Simon State 21		⁶ Well No. 1
⁹ Proposed Pool 1 Wilson; Atoka (Gas)		¹⁰ Proposed Pool 2 Grana Ridge North Osader; Wolfcamp, South (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
H	21	21S	35E		1864	North	838	East	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

Additional Well Location

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3610
¹⁶ Multiple N	¹⁷ Proposed Depth PB 12350	¹⁸ Formation Atoka / Wolfcamp	¹⁹ Contractor	²⁰ Spud Date Pending
Depth to ground water		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	61	1457	885 C	surface
12-1/4	9-5/8	41	5562	1730 C	surface
8-3/4	7	26	10816	560 H, 470 PVL	5062 Calc
	4-1/2	11.6	10690 - 12684	250	

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.

Plugback to test upper zones per attached procedure

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback

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 NMOC 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:

2/5/09

Phone:

432-686-3689

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title:

PETROLEUM ENGINEER

Approval Date:

Expiration Date:

FEB 16 2009

Conditions of Approval:

Attached ☐

EOG RESOURCES INC.
SAN SIMON STATE 21 NO. 1
Procedure Recomplete to the Atoka

Well Information:

Location:	1980' FNL & 1840' FNEL Sec. 21, T21S, R35E Osuda South Lea County, New Mexico API No: 30-025-36090	AFE No: 104253 TD: 12,690' PBSD: 12,466' KB: 3,627' GL: 3,610'
Casing:	13 3/8" 61# K55 STC @ 1,457' (Cemented to Surface) 9 5/8" 41# HCK55/J55 LTC @ 5,520' (Circulated Cement) 7" 26# P110 LTC @ 10,827' (TOC @ 5,062' Calc.)	
Liner:	4 1/2" 11.6# P110 @ 10,671' – 12,686' Weatherford PBR Assembly: See attached Installation Diagrams	
Packer:	Baker 4 1/2" X 2 3/8" Hornet Retrievable Packer @ 12,241'. On/Off tool w/ 1.875" X nipple, 1.79" NO-GO 8K compression	
Tubing:	2 3/8" 4.7# L80 8rd EUE 0 – 12,241'	
Annulus Fluid:	7 % KCl w/ 1 gpt Anhib II	
Logs:	Correlate to Schlumberger Borehole Compensated Sonic Log Dated 2/10/2003	

<u>OD</u>	<u>WT</u>	<u>Grade</u>	<u>Burst</u>	<u>Collapse</u>	<u>ID</u>	<u>Drift</u>
13 3/8"	61.0	K55	3090	1540	12.515	12.359
9 5/8"	40.0	HCK55/J55	3950	2570	8.835	8.679
7"	26.0	P110	9960	6210	6.276	6.151
4 1/2"	11.60	P110	10690	7560	4.000	3.875
2 3/8"	4.7	L80	11200	11780	1.995	1.901

Wellhead: 11" 5,000 psi x 7 1/16" 10,000 psi
Tree: 7 1/16" 10,000 psi x 2 1/16" 10,000 psi
Tubing landed w/ 8,000# Compression

Present Perforations: Morrow: 12,367' – 12,378'
Morrow Swab Test after recovery of CT, clean-out and re-perforating: 0 mcf, 0 oil, 0 water. Initial FL @ 10,100' Swabs to SN@ 12,200' in 6 runs.

Recompletion Candidates: Atoka, & Wolfcamp

Atoka interval: 11,702 – 11,720'; 11,737' – 11,748'
Est BHST = 170°F
Est BHP = 9.8 ppg equivalent (5,975 psi)

Wolfcamp Interval: 10,564 – 10,574'; 10,598' – 10,638'
Est BHST = 160°F
Est BHP = 9.0 ppg equivalent (4,960 psi)

Directions to Well: From the intersection of highway 18 & NM State Road 234 East of Eunice, New Mexico, go 2 miles West on 234 into Eunice. Turn right (North) off 234 onto State Road 207. Go 0.5 miles North. Turn left (West) off 207 onto State Road 8. Go 6.3 miles North/Northwest toward Monument, New Mexico. Turn left (West) off State Road 8 onto State Road 176. Go 5.5 miles West. Turn left (South) off State Road 176 through cattleguard onto caliche lease road. Go 0.7 miles into location.

Procedure to Recomplete to the Atoka:

- 1) Clear location & pull test anchors.
- 2) MIRU PU. Check pressures on the tubing and annulus. Flow the tubing till dead, and kill with 3% KCl as necessary.
- 3) ND tree and install a 7 1/16" 5M BOP. Release and pull the Baker Hornet packer / TCP assembly. See attached Halliburton TCP installation diagram. Send Hornet Packer in for re-dress. We will re-run with HES TCP to shoot the Atoka interval.
- 4) RU wireline to set a 4 1/2" 11.6# 10K rated Smith D2 plug @ ± 12,350' (within 50' and not more than 100' of the top Morrow perf @ 12,367') See attached cost estimate. Smith Contact: Marisio Barriga off: 432-620- 8054; cell #: 432-638-3346. mbarriga@smith.com
- 5) TIH with 3 3/4" bit and scrapper on 2 3/8" tubing to 12,000'. Load the hole and circulate the hole clean with 3% treated KCl water containing 1 gpt of ANHIB II. Hole volume to 12,000' with the 2 3/8" in is 410 bbls. Test the plug to 1,000 psi at the surface after loading and circulating the hole. Bleed off pressure and TOOH with tubing.
- 6) PU HES TCP assembly and Baker 4 1/2" 10K Hornet packer w/ On/Off tool on 2 3/8" 4.7# L80 8rd EUE tubing and TIH testing stands of tubing to 8,000 psi. When 3,000' of tubing has been run, stop and fill the tubing with 3% KCl fluid to provide the desired water cushion. See

attached HES TCP quote. Contact: Shelby Garner, Hobbs, NM TCP 575-390-1030.

- 7) Correlate with WL, space out, and set packer with 8 - 10K compression to perforate the Atoka from 11,702' – 11,720'; 11,737' – 11,748'. 4spf 90°phased. 3,000 psi underbalanced. Re-run the WL correlation after the packer is set to confirm the perf depths.
- 8) NU 2 1/16" 10K tree.
- 9) RU HES TCP to bar drop fire the underbalanced TCP assembly.
- 10) Flow test and evaluate the Atoka interval for further stimulation. If rates are deemed commercial, turn the well to sales. Sales line pressure is 400 psi.
- 11) A new procedure will be written to outline any further pressure build-up or stimulation treatments for the Atoka interval.

RMW
2/2/2009



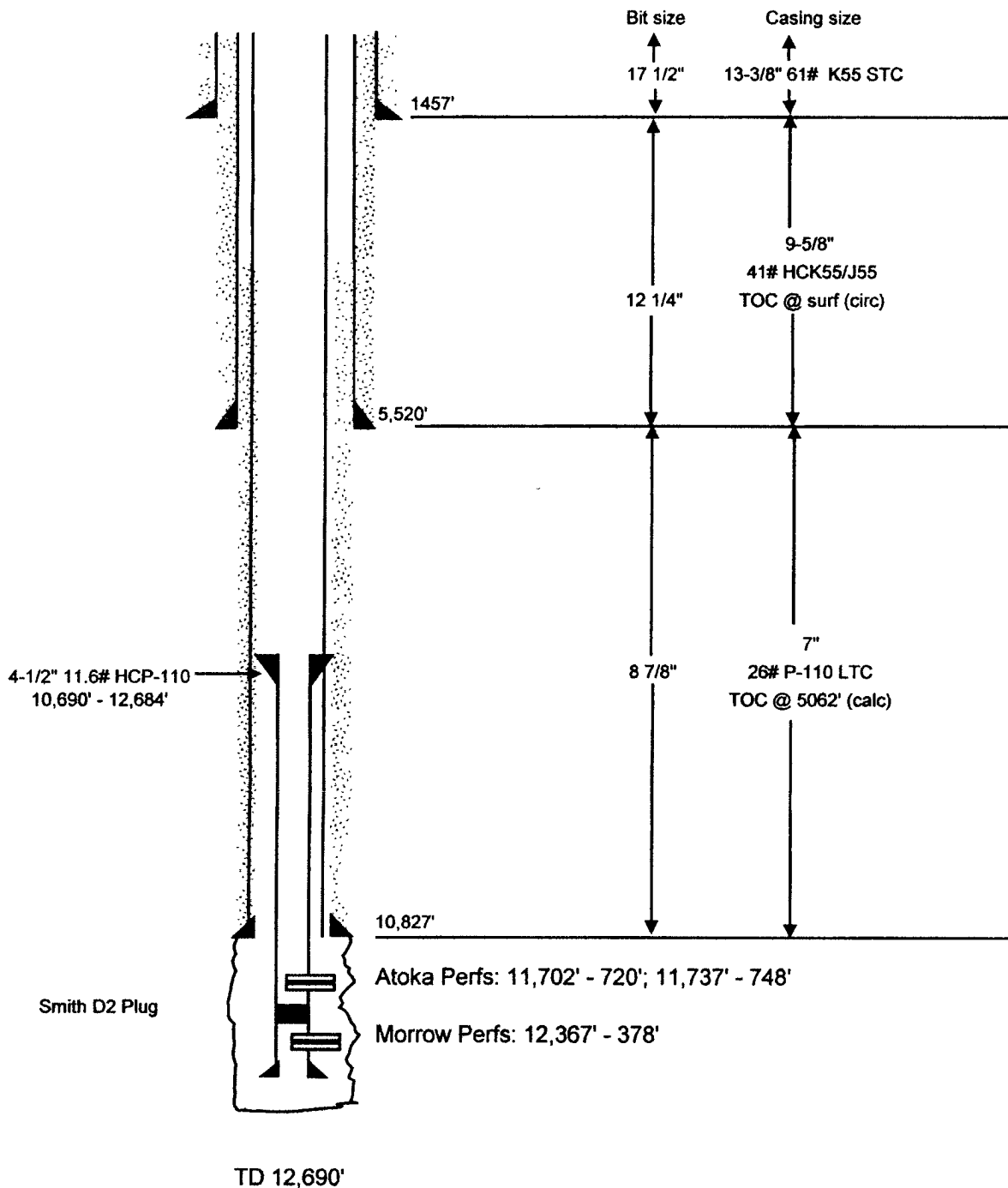
San Simon State 21 No. 1

1980' FNL & 1840' FEL

Sec. 21-21S-35E

Lea County, New Mexico

Proposed Wellbore



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Energy, Minerals, and Natural Resources Department
OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-10:
Revised August 15, 2
Submit to Appropriate District
State Lease - 4 c
Fee Lease - 3 c

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36090	² Pool Code 97140	³ Pool Name Wilson; Atoka (Gas)
⁴ Property Code 31003	⁵ Property Name SAN SIMON "21"	⁶ Well Number 1
⁷ OGRID No. 7377	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3610'

¹⁰ Surface Location

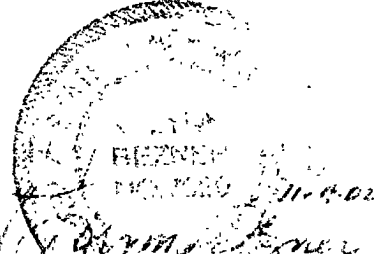
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	County
H	21	21 SOUTH	35 EAST, N.M.P.M.		1864'	NORTH 838'	LEA

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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div data-bbox="638 1430 790 1530"> <p>NAD 27 NM E ZONE X = 798276 Y = 534779 N = 32.46650 W = 103.36623</p> </div> <div data-bbox="875 1234 948 1259">1864'</div> <div data-bbox="958 1408 1031 1434">838'</div>	<h3>¹⁷ OPERATOR CERTIFICATION</h3> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Stan Wagner</i> Signature Stan Wagner Printed Name Regulatory Analyst Title 2/5/09 Date</p>
	<h3>¹⁸ SURVEYOR CERTIFICATION</h3> <p>I hereby certify that the well location shown on this plat is plotted from field notes of actual surveys made by me or under supervision, and that the same is true and correct to the best of belief.</p> <p>OCTOBER 31, 2002 Date of Survey Signature and Seal of Professional Surveyor</p>
	
	<p>Certificate Number V. L. BEZNER R.P.S. #7920 JOB #84323-A / 46 NE / J.C.P.</p>

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⁶ OGRID No. 7377	⁷ Operator Name EOG RESOURCES, INC.	⁸ Well Number 1
		⁹ Elevation 3610'

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