' **.***' Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**



FORM APPROVED OMB NO. 1004-0137 Expires July 31, 2010

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS ,

Do not use this form for proposals to drill or to re-enter and BBSOCD

NM122622 (SHL) VC2500 (BHL) 6. If Indian, Allottee or Tribe Name

| abandoned well. Use Forr | n 3160-3 (APD) fo | r such proposals. | | | |
|--|---|--|--------------------------------|----------------------------------|-------------------------------------|
| SUBMIT IN TRIPLICAT | TE - Other instruction | ons on page 2 | | 7 If Unit or C | A/Agreement, Name and/or No |
| 1 Type of Well X Oil Well Gas Well Other 2. Name of Operator | / | | | 8. Well Name Endurance Com | 25 Fed 1H |
| 3a. Address P.O. Box 2267 Midland, Texas 79702 | | 3b. Phone No. (include ar 432–686–3689 | rea code) | | 743 Pool, or Exploratory Area |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey II 330' FNL & 1850' FEL, U/L B SL Se 330' FSL & 1850' FEL, U/L G BHL Se | c 28, 26S, 33E√ | / | | Undesignat 11 County or Lea | Parish, State |
| 12. CHECK APPROPRIATI | E BOX(ES) TO IN | DICATE NATURE OF 1 | NOTICE, REPO | RT, OR OTHE | ER DATA |
| TYPE OF SUBMISSION | | TY | PE OF ACTION | | |
| Notice of Intent Subsequent Report | Acidize Alter Casing Casing Repair | Deepen Fracture Treat New Construction | Production Reclamatic | | Water Shut-Off Well Integrity Other |
| Final Abandonment Notice | Convert to Injects | Plug and Abandon on Plug Back | Temporari Water Disp | ly Abandon posal | |
| EOG Resources requests to amend intended to be drilled as a hori The 13-3/8" surface casing and 9 depths. Upon drilling out of th system to a proposed TD of 11,50 After reaching TD and logging, E 600' cement kick-off plug and se | zontal well in -5/8" intermedi e 9-5/8" interm 0' TVD. | the 3rd Bone Sprin ate casing will be ediate casing, the 11 set a 230' (min | g Sand. set at the drilling fl | originally uid will b | approved e a water based nt plug, a |
| shoe. The drilling rig will then move well. The CTBP will be drilled- (as per the attached directional | out and the wel | | lled horizon HED FOR | ntally in t | he Bone Springs |
| 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Stan Wagner | | Title Regul a | atory Analys | | TROLEUM ENGINEEN |
| Signature San Wayne | S SPACE FOR EED | Date 6/23/10 DERAL OR STATE OF | | ROVED | 1 3 2010 |
| Approved by Conditions of approval, if any, are attached. Approval of this not the applicant holds legal or equitable title to those rights in the sul entitle the applicant to conduct operations thereon. | ice does not warrant or cert | Title Office | JUL /s/ Dusti | 8 2010 n Winkle | |
| Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, r | makes it a crime for any pe | rson knowingly and willfully to | TAR CARLSBAT | OFFECO OFFIC | A Mired States any false, |

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Permit Information:

Well Name: Endurance 25 Fed Com No. 1H

Location:

SL: 330 FNL & 1850 FEL, Section 25, T-26-S, R-33-E, Lea Co., N.M. BHL: 330 FSL & 1850 FEL, Section 36, T-26-S, R-33-E, Lea Co., N.M.

Casing Program:

| Casing | Setting Depth | Hole Size | Casing Size | Casing Weight | Casing Grade | Desired TOC |
|--------------|------------------|--------------------|------------------|------------------|-----------------|----------------|
| Surface | 1150' | 17-1/2" | 13-3/8" | 54.5# | K55 | Surface |
| Intermediate | 4,000° 5,300° | 12-1/4" 12-1/4" | 9-5/8" 9-5/8" | 40# 40# | J-55 HCK-55 | Surface |
| Production | 16,720' | 8-3/4" | 5-1/2" | 20# | HCP-110 | 4800 |

Cement Program:

| | No. | Wt. | Yld | |
|----------|-------|--------|---------------------|--|
| Depth | Sacks | lb/gal | Ft ³ /ft | Slurry Description |
| 1,150' | 500 | 13.5 | 1.74 | Lead: Class 'C' + 4.00% Bentonite + 2.00% CaCl2 |
| | 200 | 14.8 | 1.35 | Tail: Class 'C' + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% |
| | | | | Sodium Metasilicate + 2.0% KCl (1.06 lb/sk) |
| 5,300' | 1100 | 12.7 | 2.01 | Lead: Class 'C' + 2.00% SMS + 1.50% R-3 + 0.25 lb/sk Cello |
| | - | | | Flake + 0.005 lb/sk Static Free |
| | 200 | 14.8 | 1.32 | Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk |
| | | | | Static Free |
| 11,500' | 125 | 18.0 | 0.90 | 250' Btm Hole Plug - Class 'H' + 1.20% CD-31 + 0.20% R-3 |
| | | | | + 5.00% Salt (1.252 lb/sk) |
| 9,000' – | 300 | 18.0 | 0.90 | 600' Sidetrack Plug - Class 'H' + 1.20% CD-31 + 0.20% R-3 |
| 9,600' | | | | + 5.00% Salt (1.252 lb/sk) |
| 16,720' | 975 | 11.8 | 2.37 | Lead: 50:50:10 Class 'H' + 0.80% FL-52A + 0.30% ASA-301 |
| | | | | + 0.30% SMS + 2.00% Salt (2.259 lb/sk) + 0.20% R-21 + |
| | | | | 0.25 lb/sk Cello Flake |
| | 1250 | 14.2 | 1.30 | Tail: 50:50:2 Class 'H' + 0.30% FL-52A + 0.20% CD-32 + |
| | | | | 0.35% SMS + 5.00% Salt (2.454 lb/sk) + 0.45% R-3 + 0.005 |
| | | | | lb/sk Static Free |

Mud Program:

| Depth | Type _ | Weight (ppg) | Viscosity | Water Loss |
|--------------------------------|-------------|--------------|-----------|------------|
| 0 – 1,150' | Fresh - Gel | 8.6-8.8 | 28-34 | N/c |
| 1,150' – 5,300' | Brine | 10.0-10.2 | 28-34 | N/c |
| 5,300' - 8,500' | Fresh Water | 8.4-8.6 | 28-34 | N/c |
| 8,500' – 11,500' Pilot hole | Cut Brine | 9.0-9.5 | 28-34 | N/c |
| 9,322'-16,720' Lateral | Cut Brine | 9.0-9.5 | 28-34 | N/c |

Endurance 25 Fed Com #1H Red Hills Lea County, New Mexico

330' FNL 1850' FEL Section 25 T-26-S, R-33-E

230' Cement Plug On BTM
TVD Vertical Well: 11,500'

Proposed Wellbore

API: 30-025-39743

KB: 3,390.3' GL: 3,360.3'

Bit Size: 17-1/2" 13-3/8", 54.5#, K-55, BT&C 0' - 1,150' TOC: 4800' Bit Size: 12-1/4" 9-5/8", 40#, J-55 , LT&C 0' - 4000' CIBP @ 5,200' w/ 9-5/8", 40#, HCK55, LT&C 4000' - 5300' 30' Cement 9.0 ppg Mud KOP: 9,322' 600' KO Cement Plug 9,000' - 9,600' Bit Size: 8-3/4"

Endurance 25 Fed Com #1H Red Hills Lea County, New Mexico

330' FNL 1850' FEL Section 25

Proposed Wellbore

API: 30-025-39743

KB: 3,390.3' GL: 3,360.3'

T-26-S, R-33-E Bit Size: 17-1/2" 0' - 1,150' 13-3/8", 54.5#, k-55, BT&C TOC: 4800' Bit Size: 12-1/4" 9-5/8", 40#, J-55 , LT&C 9-5/8", 40#, HCK55, LT&C 4000' - 5300' KOP: 9,322' Bit Size: 8-3/4" Bit Size: 8-3/4" 5-1/2", 20#, HCP-110, NSCC @ 0' - 16,720' 600' KO Cement Plug 9,000' - 9,600' Bone Spring Sand Lateral: 16,720' MD, 9,800' TVD BH Location: 330' FSL & 1850' FEL 230' Cement Plug On BTM Section 36 T-26-S, R-33-E TVD Vertical Well: 11,500'

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

| Rustler | 850' |
|----------------------------------|---------|
| Base of Salt | 5,250' |
| Delaware | 5,290' |
| Base Brushy Canyon | 9,200' |
| Bone Spring Lime | 9,500' |
| 1 st Bone Spring Sand | 10,450' |
| 2 nd Bone Spring Sand | 10,950' |
| 3 rd Bone Spring Sand | 11,600' |
| Pilot hole TD | 11,500' |

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

| 0- 400' | Fresh Water |
|---------|--|
| 5,290' | Oil |
| 9,200' | Oil |
| 9,500' | Oil |
| 10,450' | Oil |
| 10,950' | Oil |
| 11,600' | Oil |
| | 5,290' 9,200' 9,500' 10,450' 10,950' |

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 1,150' and circulating cement back to surface.

4. CASING PROGRAM - NEW

| Hole Size | Interval | Csg OD | Weight | Grade | Conn | DF _{min} Collapse | DF _{min} Burst | DF _{min} Tension |
|--------------|-------------|-----------|--------|--------|------|-------------------------------|----------------------------|------------------------------|
| 17.5" | 0 - 1,150 | 13.375" | 54.5# | K55 | BTC | 1.10 | 1.25 | 1.60 |
| 12.25 | 0-4000' | 9.625"_ | 40# | J55 | LTC | 1.10 | 1.25 | _1.60 |
| 12.25 | 4000'-5300' | 9.625" | 40# | HCK55 | LTC | 1.10 | 1.25 | 1.60 |
| 8.75" | 0'-16,720' | 5.5" | 20# | HCP110 | NSCC | 1.10 | 1.25 | 1.60 |

Cementing Program:

| Depth | No. Sacks | Wt. lb/gal | Yld Ft³/f | Slurry Description | |
|---------|--------------|---------------|--------------|--|--|
| | | | t | | |
| 1,150' | 500 | 13.5 | 1.74 | Lead: Class 'C' + 4.00% Bentonite + 2.00% CaCl2 | |
| | 200 | 14.8 | 1.35 | Tail: Class 'C' + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + | |
| | | | | 0.2% Sodium Metasilicate + 2.0% KCl (1.06 lb/sk) | |
| 5,300' | 1100 | 12.7 | 2.01 | Lead: Class 'C' + 2.00% SMS + 1.50% R-3 + 0.25 lb/sk | |
| | - | | | Cello Flake + 0.005 lb/sk Static Free | |
| | 200 | 14.8 | 1.32 | Tail: Class 'C' + 0.25 lb/sk Cello Flake + 0.005 lb/sk Static Free | |
| 11,500' | 125 | 18.0 | 0.90 | 250' Btm Hole Plug - Class 'H' + 1.20% CD-31 + 0.20% R-3 | |
| | | | | + 5.00% Salt (1.252 lb/sk) | |
| 9,000'- | 300 | 18.0 | 0.90 | 600' Sidetrack Plug - Class 'H' + 1.20% CD-31 + 0.20% R-3 | |
| 9,600' | | | | + 5.00% Salt (1.252 lb/sk) | |
| 16,720' | 975 | 11.8 | 2.37 | Lead: 50:50:10 Class 'H' + 0.80% FL-52A + 0.30% ASA- | |
| | | | | 301 + 0.30% SMS + 2.00% Salt (2.259 lb/sk) + 0.20% R-21 | |
| | | | | + 0.25 lb/sk Cello Flake | |
| | 1250 | 14.2 | 1.30 | Tail: 50:50:2 Class 'H' + 0.30% FL-52A + 0.20% CD-32 + | |
| | | | | 0.35% SMS + 5.00% Salt (2.454 lb/sk) + 0.45% R-3 + 0.005 | |
| | | - | | lb/sk Static Free | |

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

(SEE EXHIBIT #1)

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a double ram-type (5000 psi WP) preventer and an annular preventer (5000-psi WP). Units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOP's and accessory equipment will be tested in accordance with Onshore Oil & Gas order No. 2. EOG Resources request authorization to use a 2M system, providing for an annular preventer to be used prior to drilling out of the surface casing shoe and while drilling the intermediate section. 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 2500/ 250 psig.

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.

Hydraulically operated choke will not be installed prior to the setting and cementing of the intermediate casing string, but will be installed prior to drilling out of the intermediate casing shoe.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

The well will be drilled to TD with a combination of brine, cut brine, and polymer mud system. The applicable depths and properties of this system are as follows:

| Depth | Туре | Weight (ppg) | Viscosity | Water Loss |
|-----------------|-------------|--------------|-----------|------------|
| 0 – 1,150' | Fresh - Gel | 8.6-8.8 | 28-34 | N/c |
| 1,150' - 5,300' | Brine | 10.0-10.2 | 28-34 | N/c |
| 5,300' - 8,500' | Fresh Water | 8.4-8.6 | 28-34 | N/c |
| 8,500'-11,500' | Cut Brine | 9.0-9.5 | 28-34 | N/c |
| Pilot hole | | | | |
| 9,322'- 16,720' | Cut Brine | 9.0-9.5 | 28-34 | N/c |
| Lateral | | | | |

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) A mud logging unit will be continuously monitoring drill penetration rate and hydrocarbon shows from 1,150' to TD.
- (D) H₂S monitoring and detection equipment will be utilized from 1,150' to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logging is anticipated in the 8-3/4" hole section. The logging suites for this hole section are listed below:

NGT-CNL-LDT w/ Pe From TD to previous casing shoe. At casing pull GR –

Neutron to surface.

HR Laterolog Array From TD to previous casing shoe.

FMI Possible in the production hole

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

The estimated bottom hole temperature (BHT) at TD is 170 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 5000 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 two months. If the well is productive, an additional 30-60 days will be required for completion and testing before a decision is made to install permanent facilities.