New Mexico Oil Conservation
162 N. French
Hobbs, NM 88240

Form 3160-5
(August 1999)
(1 original, 5 copies)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

1. Type of well
[X] Oil Well [ ] Gas Well [ ] Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
P.O. Box 2267, Midland, TX 79702

3b. Phone No. (include area code)
(915)686-3714

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
1980' FNL & ~~1980~~ 1978 FEL Section 17, T-25-S, R-34-E (S/L) G
2900' FNL & 5' FWL Section 17, T-25-E, R-34-E (BHL)

5 Lease Serial No.
NM NM 94108

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No.
Red Hills North Unit

8 Well Name and No.
Red Hills North Unit No. 901

9 API Well No.
30-025-28003

10 Field and Pool, or Exploratory
Red Hills Bone Springs

11 County or Parish, State
Lea Co. NM

INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
[X] Notice of Intent	[ ] Acidize	[ ] Deepen	[ ] Production (Start/Resume)	[ ] Water Shut-Off
[ ] Subsequent Report	[ ] Alter Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[ ] Final Abandonment Notice	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[X] Other Recomplete Horizontally
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
	[ ] Convert to Injection	[ ] Plug Back	[ ] Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there
If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone
Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 da
following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed on
testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator h
determined that the site is ready for final inspection.

Attached here to Drilling Program, Surface use and Operations Plan for Horizontal re-entry of producing well.
Bond No. on file with BLM NM2308
C-102 Plats enclosed.

SUBJECT TO
LIKE APPROVAL
BY STATE

APPROVED
DEC 26
GARY GOURLEY
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mike Francis — Title Agent

Signature Mike Francis — Date 12/20/01

FEDERAL OR STATE OFFICE USE

Approved by — Title — Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject leaase which would entitle the applicant to conduct thereon. — Office

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 jurisdictior

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Kz

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
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--25-28003	51020	Red Hills Bone Springs

4 Property Code	5 Property Name	6 Well Number
26406	RED HILLS NORTH UNIT	901

7 OGRID No.	8 Operator Name	9 Elevation
7377	EOG RESOURCES INC.	3334

10 Surface Location

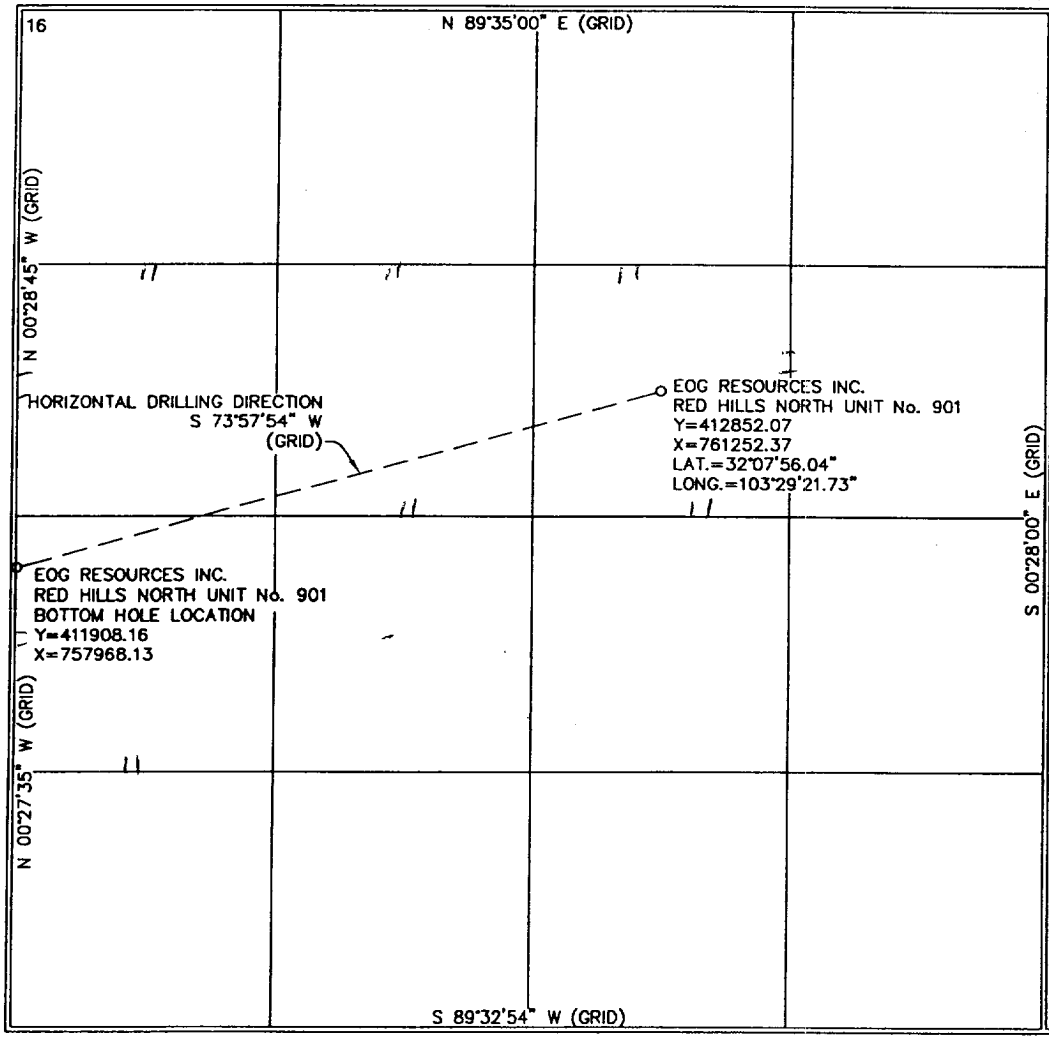
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	17	25-S	34-E		1980	NORTH	~~1980~~ 1978	EAST	LEA

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
L	17	25-S	34-E		2900	NORTH	5	WEST	LEA

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
160			

NO ALLOWABLE WILL 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: Mike Francis

Printed Name: Agent

Title: 12/20/01

Date

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 best of my belief.

NOVEMBER 30, 2001

Date of Survey

Signature and Seal of Professional Surveyor:

JAMES E. TOMPKINS
NEW MEXICO
14729
REGISTERED PROFESSIONAL LAND SURVEYOR

James E. Tompkins

Certificate Number 14729

DRILLING PROGRAM/HORIZONTAL RE-ENTRY

EOG RESOURCES, INC.
RED HILLS NORTH UNIT NO. 901
LEA COUNTY, NM

1. GEOLOGIC NAME OF SURFACE FORMATION:
   Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Delaware Mt. Group	5320'
Bone Spring Lime	9305'
3rd Bone Spring Sand	12250'
TVD	12350'
TMD	15550'

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

Upper Permian Sands	100'	Fresh Water
3rd Bone Spring Sand	12250'	Oil

No other formations are expected to give up oil, gas or fresh water in measurable quantities. The surface fresh water sands are protected by setting 13 3/8" casing at 588' and cement circulated back to surface.

4. CASING PROGRAM: (Existing Casing)

Hole Size	Interval	OD Casing	Weight Grade Jt. Cond. Type
17 1/2"	0-588'	13 3/8"	54.5# J55 ST&C
12 1/4"	0-5172'	10 3/4"	45.5# LT&C
9 1/2"	8757-13,600'	7 5/8"	33.7, LT&C
7 7/8"	0'-12,170'	5 1/2"	17# TAC95 & P-110
7 7/8 ''	13099-15820'	5 ½'' LINER	17# P-110

CASING PROGRAM : (Proposed)

Hole Size	Interval	OD Casing	Weight Grade Jt. Cond. Type
4 ¾"	11,700-15550'	3 ½"	9.2 HCP-110, HYD 513

CEMENTING PROGRAM: (Existing Casing)

13 3/8" Surface Casing: Circulated cement to surface w/500 Sx.

10 3/4" 1st Intermediate: Circulated cement to surface w/2825 Sx.

7 5/8" 2nd Intermediate: Cemented with 795 sx. TOC @ 8757'

5 1/2" Production Casing: Cemented with 85 sx. Premium Plus.
TOC @ 11090' by Temperature log.

5 ½" Liner: NR

CEMENTING PROGRAM: (Proposed)

3 1/2" Production Liner: 160 sxs Acid Soluble Cement,
0.6%Halad344,0.7%Econolite,0.2% SCR-100

5. Re-ENTRY PROCEDURE:

The RHNU #901 well will be re-entered. The existing perforations are in the Third Bone Springs @ 12,264' – 12,290'. A 5 ½ CIBP will be set @ 12,150' and 35' of cement placed on top.

A 5 ½''mechanical whipstock will be set @11,700', window cut, and a 4 ¾" hole drilled horizontallly to approximately 15,550' MD. A 3 ½ " production liner will be run and cemented in from 15,550 to 11,500'.

See Exhibit 4(a), 4(b).

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

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 top and drill pipe rams on bottom. All will be installed on the 5 ½" production casing and used continuously until TD is reached. Before drilling out of the 5 1/2" casing, the ram-type BOP and accessory equipment will be tested to 5000 psi and the annular to 70% of rated working pressure (3500 psi).

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 2" kill line and 4" choke line will be included in the drilling spool located below the ram-type BOP. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold with 5000 psi WP rating.

6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

The well will be drilled to TD with a polymer/KCL mud system. The applicable depths and properties of this system are as follows:

Depth	Type	Wt (ppg)	Viscosity (sec)	Waterloss (cc)
11,700'to 15,550'	Fresh water/gel	8.33	28-40	N.C. - 10

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. Auxillary 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 complete with H2S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows.

8. LOGGING, TESTING AND CORING PROGRAM:
   (A) The electric logging program will consist of a LWD GR from 11,700' to TD.

10. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:
    No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 175 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.

11. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:
    Road and location work will not begin until approval has been received from the BLM. Anticipated spud date is within 30 days after approval at the present time. Once drilling has commenced, the drilling operation should be finished in approximately 60 days. If the well is productive, an additional 30 to 45 days will be required for the completion and testing before a decision is made to install permanent facilities.

EOG RESOURCES, INC.
RED HILLS NORTH UNIT NO. 901
LEA COUNTY, NM

SURFACE USE AND OPERATIONS PLAN

1. EXISTING ROADS:

   Access to location will be made on existing roads.

   Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. LOCATION OF EXISTING WELLS:

   Exhibit #2 shows all existing wells within a one-mile radius of this well.

3. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

   Existing production facilities and roads located within Red Hills North Unit (Exhibit 3) Flow lines are already in place for existing production.

4. LOCATION AND TYPE OF WATER SUPPLY:

   Water for drilling will be purchased from commercial sources and transported to the well site over existing roads.

5. PLANS FOR RESTORATION OF THE SURFACE:

After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Location will be cleaned of all trash and junk to leave the well in an aesthetically pleasing condition as possible.

Any unguarded pits containing fluid will be fenced until they are dry and back filled.

After abandonment of the well, surface restoration will be in accordance with current federal laws and regulations. Location will be cleaned, and the well pad removed to promote vegetation. Reseeding will be as per BLM specifications

6. METHODS OF HANDLING WASTE DISPOSAL:

A small reserve pit will be utilized. Reserve pit will be evacuated of drilling fluid within 10 days after the well is completed.

Drill cuttings will be encapsulated in plastic and buried 2' below ground level.

Water produced during tests and waste water will be saved and hualed to a disposal well. Oil produced during tests will be in test tanks until sold.

Current laws and regulations pertaining to the disposal of human waste will be complied with.

Trash, waste paper, garbage and junk will be hauled to an approved disposal site n an enclosed trash trailer.

All trash and debris will be removed from the well site within 30 days after finishing drilling and/or completion operations.

7. ANCILLARY FACILITIES:

No airstrip, campsite, or other facilities will be built.

8. WELL SITE LAYOUT:

Exhibit #3 shows the relative location and dimensions of the well pad, steel mud pits, and location of major rig components. Pad area has been staked and flagged.

10. OTHER INFORMATION:

The area around the well site is grassland and the top soil is duned and sandy. The vegetation is native scrub grasses with abundant sagebrush, yucca, and prickly pear.

There is no permanent or live water in the immediate area.

Cultural resources examination has been completed.

11. OPERATORS REPRESENTATIVE:

The field representative responsible for assuring compliance with the approved surface-use and operations plan is as follows:

Mr. Tom Young Phone: Business 1/505/390/2903
Home 1/915/697-5639

12. CERTIFICATION:

I HEREBY CERTIFY that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

Tom Young
Drilling Manager

Date: 12/20/01

DRILLING PROGRAM/HORIZONTAL RE-ENTRY

EOG RESOURCES, INC.
RED HILLS NORTH UNIT NO. 901
LEA COUNTY, NM

ATTACHMENT TO EXHIBIT #1

1. Blow out preventer and all fittings must be in good condition, 5000 psi W.P. minimum.

2. All fittings to be flanged.

3. Safety valve must be available on rig floor at all times with proper connections, valve to be full bore 5000 psi W.P. minimum.

4. All choke and fill lines to be securely anchored, especially ends of choke lines.

5. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.

6. Kelly cock on kelly.

7. Extension wrenches and hand wheels to be properly installed.

8. Blow out preventer control to be located as close to driller's position as feasible.

9. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation, and meet all API specifications.

EOG Resources, Inc.
Red Hills North Unit No. 90 well

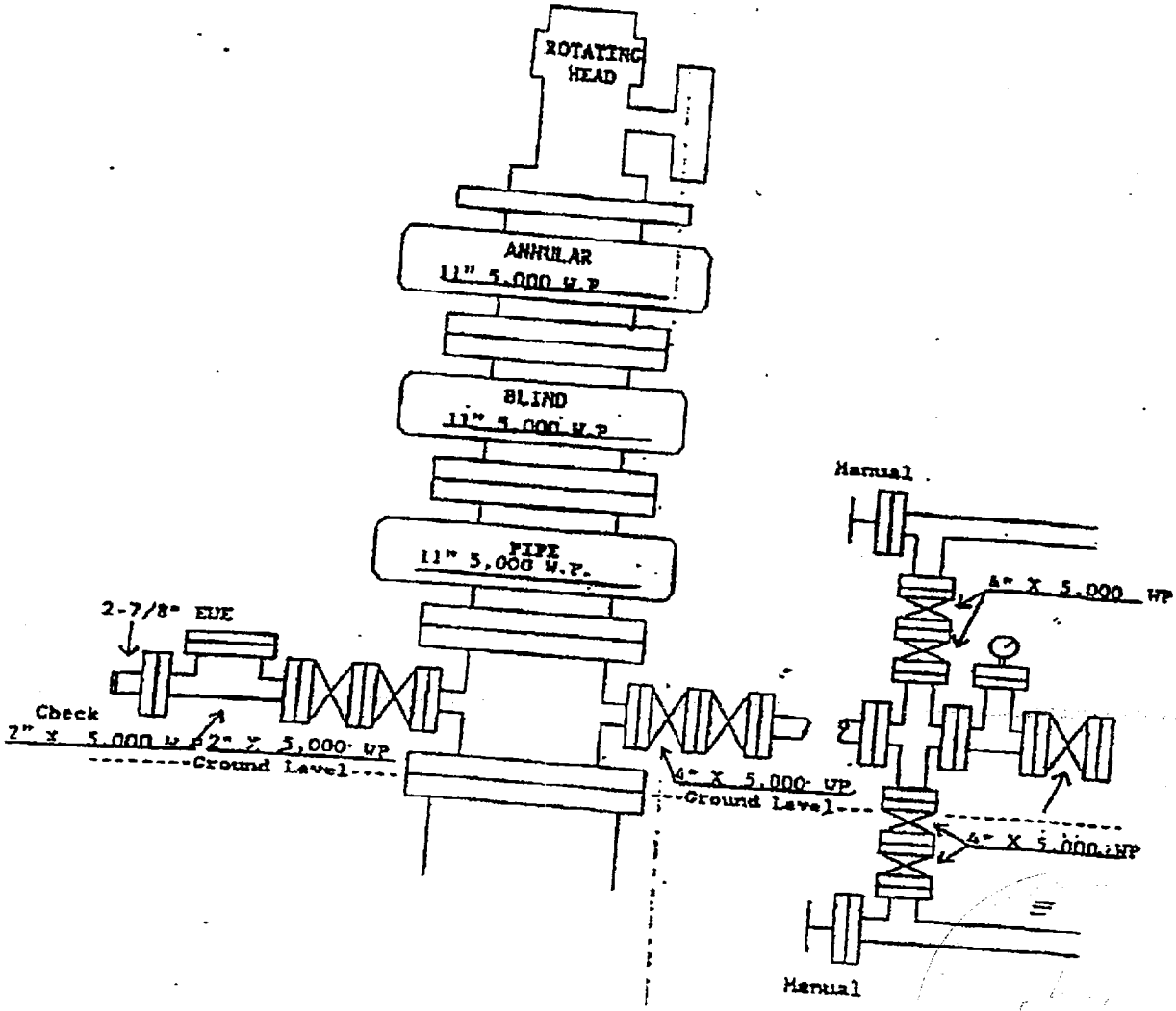


EXHIBIT #1

Exhibit 2

Existing wells within one(1) mile of

Proposed re-entry

unit outlinefor Red Hills North Unit

4,198.2ac

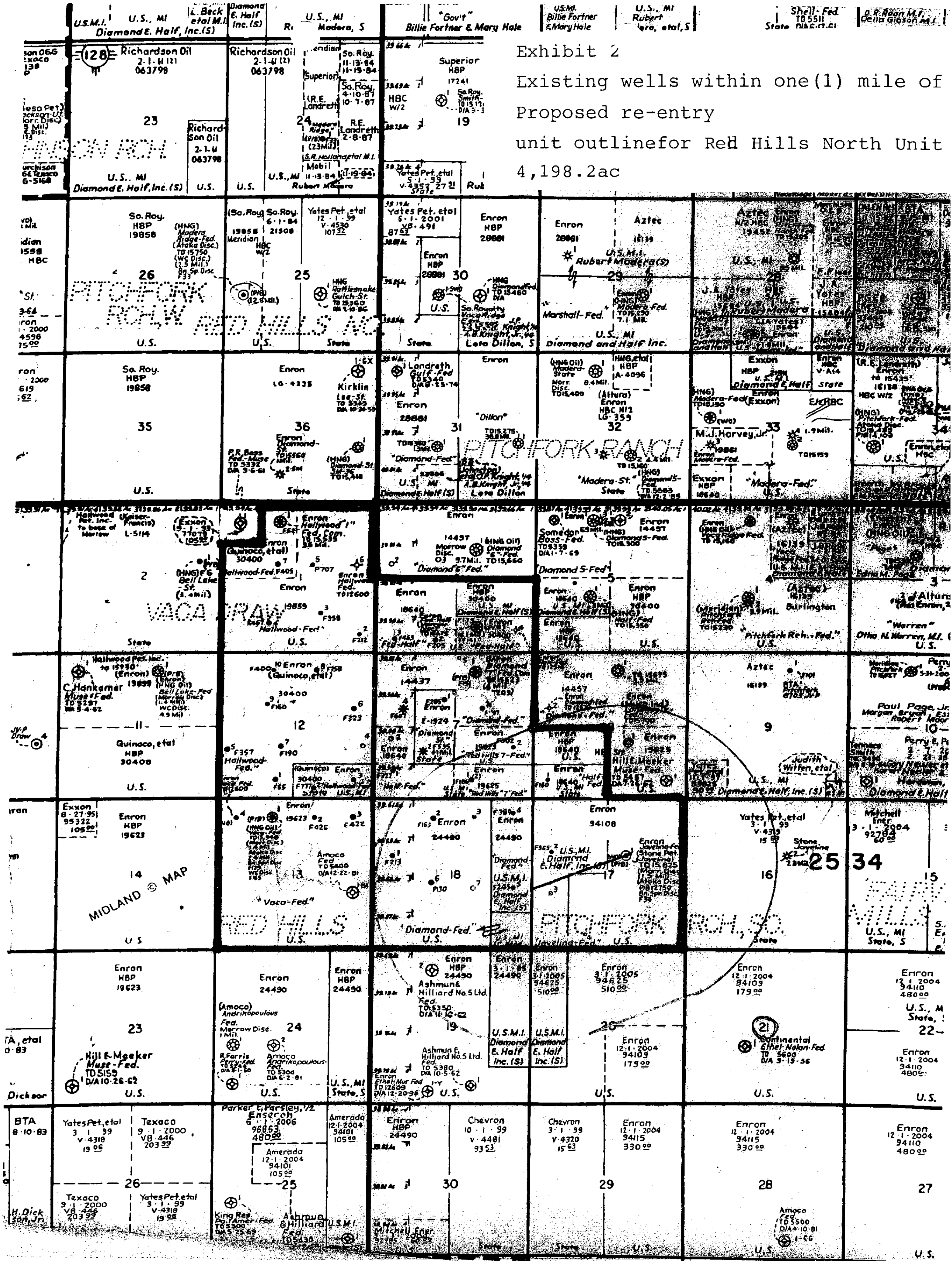
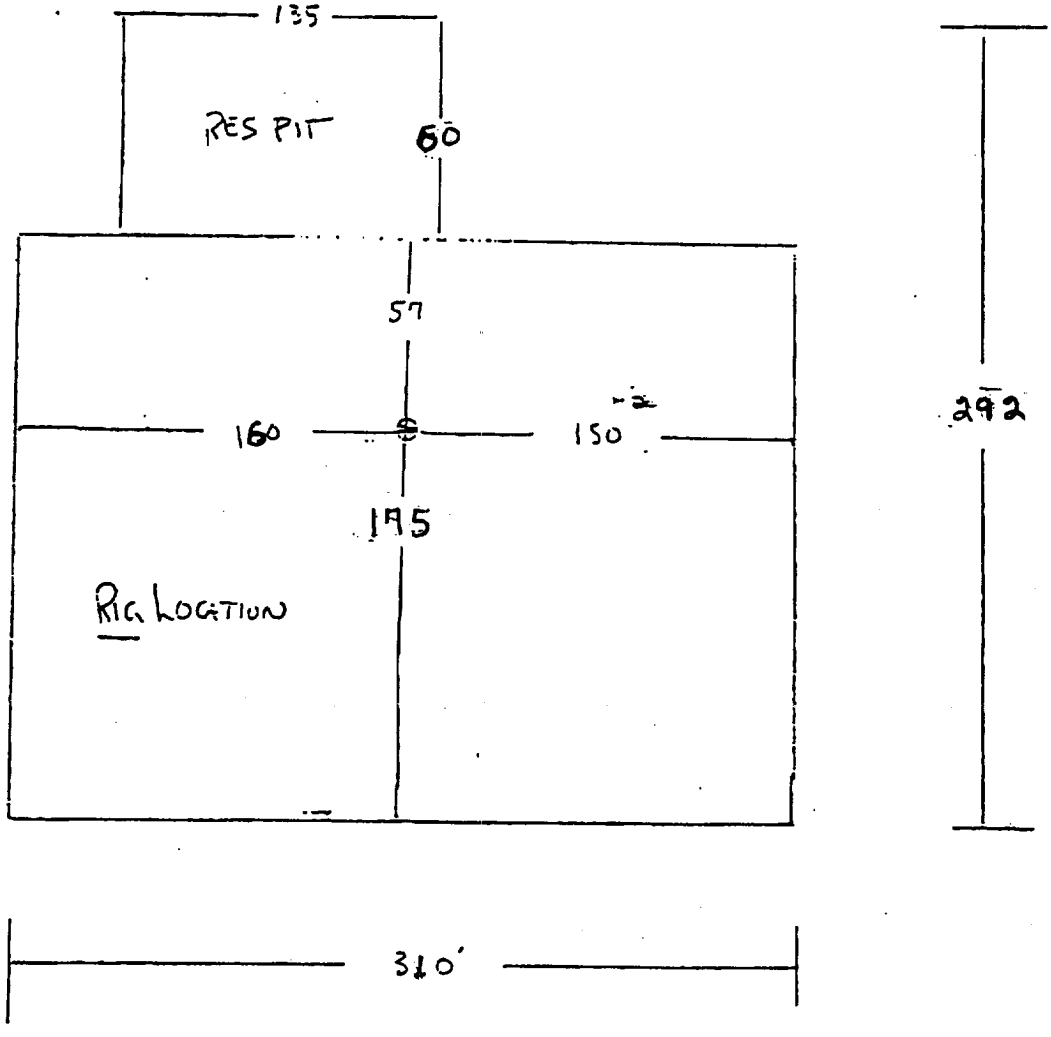


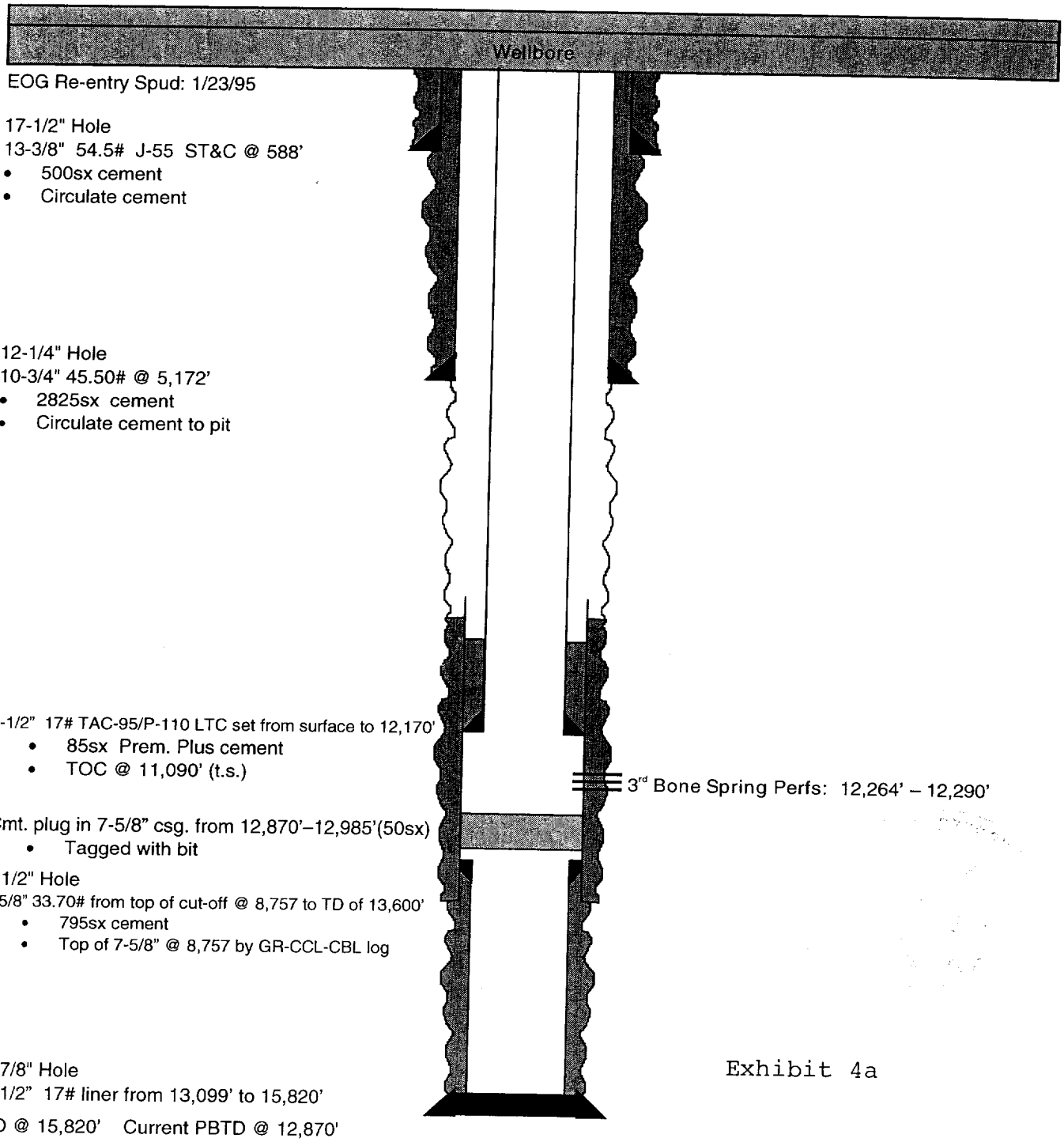
Exhibit 3



EOG RESOURCES, INC.
1,980' FNL & 1,980' FEL
Sec.17-T25S-R34E

RHNU NO. 901
LEA CO., NEW MEXICO
DECEMBER 14, 2001

CURRENT WELLBORE SCHEMATIC



EOG Re-entry Spud: 1/23/95

17-1/2" Hole
13-3/8" 54.5# J-55 ST&C @ 588'
- 500sx cement
- Circulate cement

12-1/4" Hole
10-3/4" 45.50# @ 5,172'
- 2825sx cement
- Circulate cement to pit

5-1/2" 17# TAC-95/P-110 LTC set from surface to 12,170'
- 85sx Prem. Plus cement
- TOC @ 11,090' (t.s.)

3rd Bone Spring Perfs: 12,264' – 12,290'

Cmt. plug in 7-5/8" csg. from 12,870'–12,985'(50sx)
- Tagged with bit

9-1/2" Hole
7-5/8" 33.70# from top of cut-off @ 8,757 to TD of 13,600'
- 795sx cement
- Top of 7-5/8" @ 8,757 by GR-CCL-CBL log

7-7/8" Hole
5-1/2" 17# liner from 13,099' to 15,820'

TD @ 15,820' Current PBTD @ 12,870'

Exhibit 4a

EOG RESOURCES, INC.
1,980' FNL & 1,980' FEL
Sec.17-T25S-R34E

RHNU NO. 901
LEA CO., NEW MEXICO
DECEMBER 14, 2001

PROPOSED WELLBORE SCHEMATIC

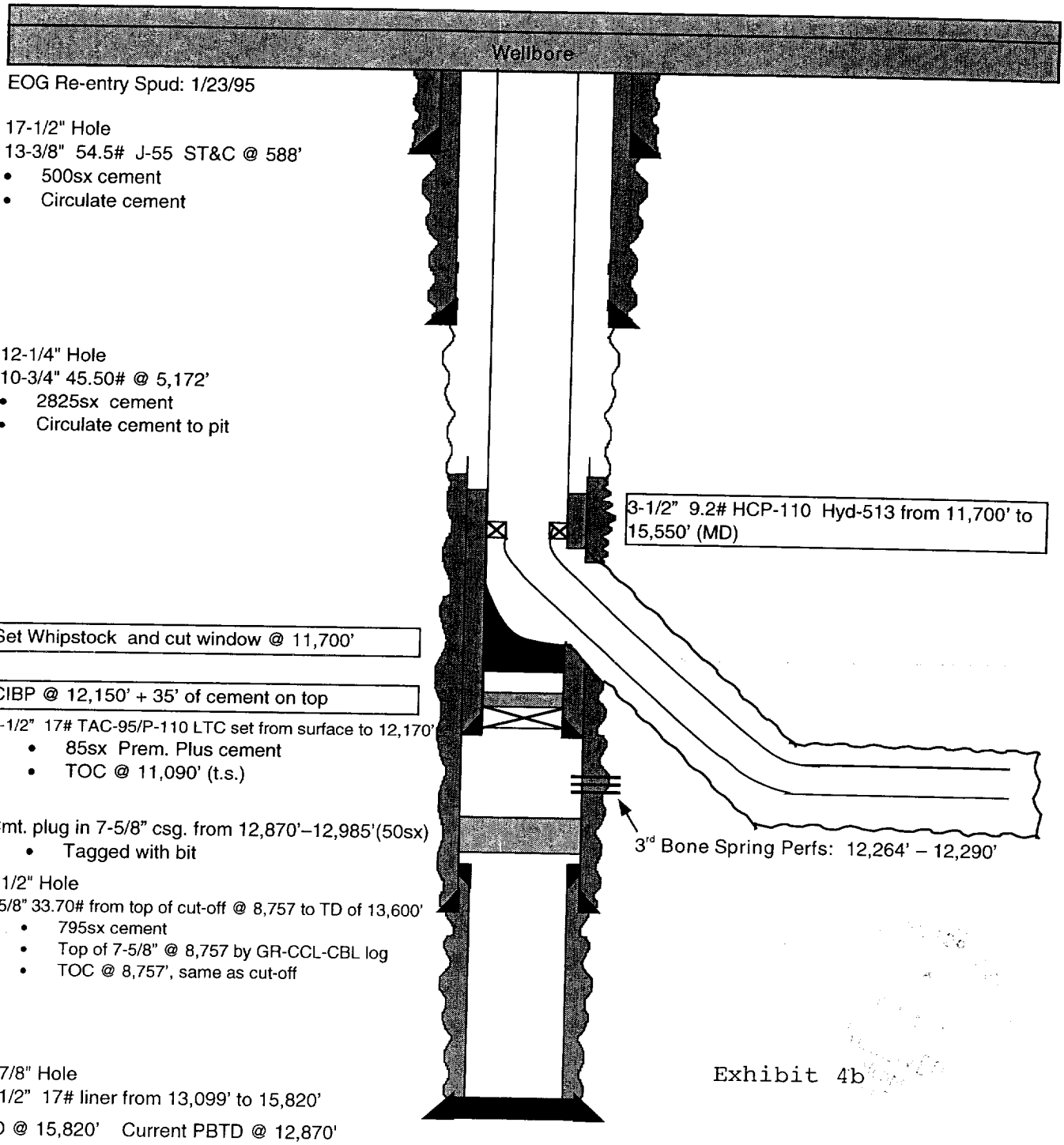


Exhibit 4b