

DRILLING PROGRAM

EOG RESOURCES, INC.
RED HILLS NORTH UNIT NO. 306H

LEA COUNTY, NM

- 7" 2nd Intermediate: Cement with 800 sx Premium + 3% Econolite + 5 lb/sk Salt (3%) + .25 lb/sk Flocele + 250 sx Premium 50/50 Pozmix 'A' + 2% Halliburton-Gel First 2% + 0.5% Halad-322 + 0.2% HR-5.
- 4-1/2" Production: 520 sx Premium + 0.3% Halad-344 + .3% Halad-413 + .3% Super CBL + .3% SCR-100. This cement slurry is designed to bring TOC to 11,800'.

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 top and drill pipe rams on bottom. All BOP's and accessory equipment will be tested in accordance with Onshore Oil & Gas order No. 2. EOG request authorization to use a 2M system, providing for an annular preventer to be used prior to drilling the surface casing shoe and to drill the intermediate hole. Before drilling out of 1st intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/1000 psi and the annular to 3500/5000-psi pressure.

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.

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/KCL mud system. The applicable depths and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Wt (ppg)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>
0-1000'	Fresh Water (spud mud)	8.5	40-45	N.C.
1000'-5200'	Brine Water	10.0	30	N.C.
5200'- 12700'	Cut Brine & Polymer/KCL	8.8-9.2	28	N.C.
12700'-19065'	Fresh Water	8.33	28	N.C.

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.