DRILLING PROGRAM

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

LEA COUNTY, NM

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 from 2000' to TD.

8. LOGGING, TESTING AND CORING PROGRAM:

(A) The electric logging program will consist of a GR-Compensated Neutron from 12,700' to Surface. LWD GR from 12,700' to TD.

9. <u>ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND POTENTIAL HAZARDS:</u>

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.

10. 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 unknown 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.