

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94

Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35901	² Pool Code 51820 S/D20	³ Pool Name Red Hills Bone Spring
⁴ Property Code 26406	⁵ Property Name RED HILLS NORTH UNIT	⁶ Well Number 606 H
⁷ OGRID No. 7377	⁸ Operator Name EDG RESOURCES, INC.	⁹ Elevation 3433'

¹⁰ SURFACE LOCATION

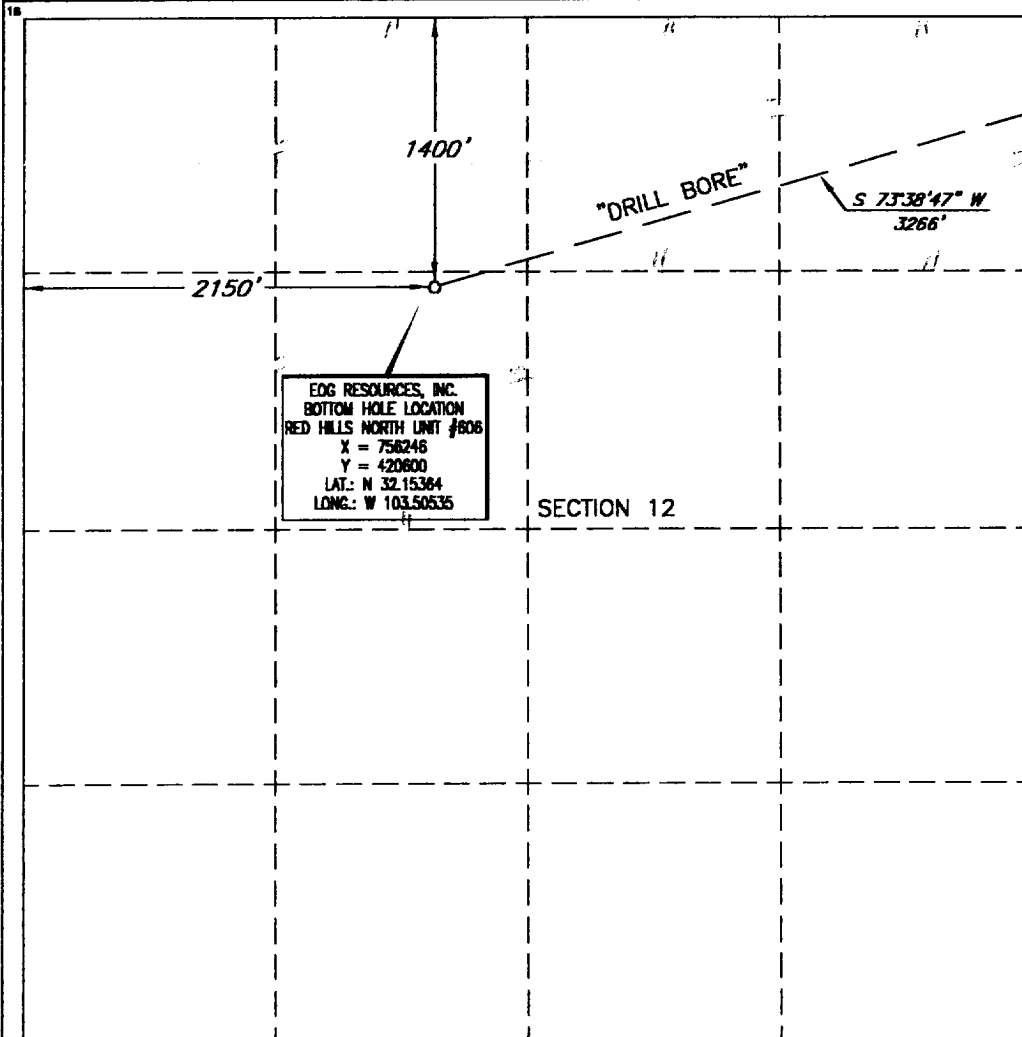
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
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"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE"

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	12	25 SOUTH	33 EAST, N.M.P.M.		1400'	NORTH	2150'	WEST	LEA

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 A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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
Mike Francis
Title
Agent
Date
2/26/02

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 the best of my belief.

Date of Survey
FEBRUARY 22, 2002
Signature and Seal of Professional Surveyor
V. L. BEZNER
Certificate No. R.P.S. #7920
JOB #80589-3 / 22NE / J.C.P.

DRILLING PROGRAM
EOG RESOURCES, INC.
Red Hills North Unit No. 606H
Lea County, NM

1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

Rustler	1100'
Delaware Mt. Group	5150'
Bone Spring Lime	9275'
3 rd Bone Spring Sand	12225'
TVD	12700'
TMD	19727'

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

Upper Permian Sands	100'	Fresh Water
3 rd Bone Spring Sand	12400'	Oil

4. CASING PROGRAM

<u>Hole Size</u>	<u>Interval</u>	<u>OD Casing</u>	<u>Weight Grade Jt. Cond. Type</u>
17 1/2"	0-650'	13 3/8"	48# H-40 ST&C
12 1/4"	0-5200'	9 5/8"	40# N-80 LT&C
8 3/4"	0-12700'	7"	26#/P110 LTC
6 1/8"	11,500-TD	4 1/2"	11.6#P-110 Hydrill

Cementing Program:

17 1/2" Surface Casing:	Cement to surface with 325 sx Prem Plus, 3% Econolite, 2% Calcium Chloride, 0.25#/sx Flocele, 150 sx Prem Plus, 2% Calcium Chloride
9 5/8" Intermediate:	Cement to surface with 1100sx Interfill C, .25#/sx flocele, 250 sx Premium Plus, 2% Calcium Chloride
7" 2 nd Intermediate	Cement w/800sx Premium, 3% Econolite, 5#/sx Salt (3%), +.25lb/sk Flocele; 250 sx Prem 50/50 Poz mix 'A', 2% Halliburton-Gel First, 0.5% Halad-322. +2%HR-5
4 1/2" Liner	520 sx Premium Plus +.3% Halad-344+.3%Super CBL+.3%SCR-100. This cement slurry is designed to bring TOC to 11500'.

**DRILLING PROGRAM
EOG RESOURCES,INC.
Red Hills North Unit No. 606H
Lea County, NM**

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 prior to drilling out of first intermediate. 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-psig 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>
0-650'	Fresh Water (Spud Mud)	8.5	40-45	N.C.
650''-5200'	Brine Water	10.0	30	N.C.
5200'- TD	Cut Brine + Polymer/KCL	8.8 - 9.2 32	32	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. 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 complete with H₂S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 5000' to TD.

**DRILLING PROGRAM
EOG RESOURCES, INC.
Red Hills North Unit No. 606H
Lea County, NM**

8. LOGGING, TESTING AND CORING PROGRAM:

Electric logging will consist of GR-Compensated Density-Neutron from 12,300' to surface. LWD GR from 12,300' to 13,800'

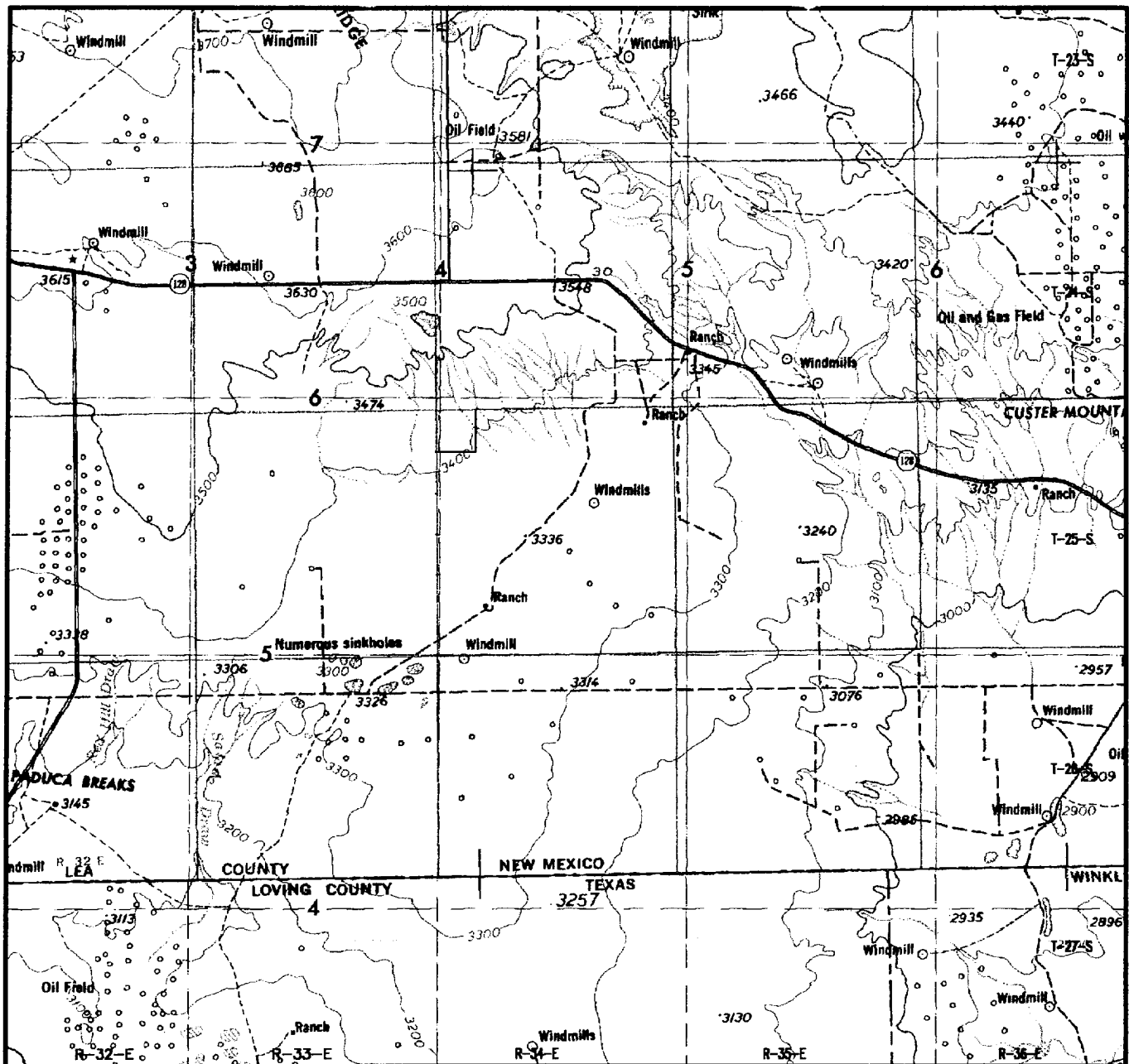
**9. ABNORMAL CONDITIONS, PRESSURES, TEMPERATURES AND
POTENTIAL HAZARDS:**

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:

The drilling operation should be finished in approximately one month. 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.

VICINITY MAP



SECTION 6 TWP 25-S RGE 34-E
 SURVEY NEW MEXICO PRINCIPAL MERIDIAN
 COUNTY LEA STATE NM
 DESCRIPTION 530' FSL & 1650' FEL

OPERATOR EOG RESOURCES, INC.
 LEASE RED HILLS NORTH UNIT #606 H
 DISTANCE & DIRECTION FROM JAL GO WEST 23.0 MILES
ON STATE HWY. 128, THENCE SOUTHEAST ±2.0 MILES ON
DIAMOND ROAD, THENCE NORTHEASTERLY 3.8 MILES ON
LEASE ROAD, THENCE EAST 0.7 MILES ON LEASE ROAD,
THENCE SOUTH 1.9 MILES ON LEASE ROAD TO A POINT
±200' WEST OF THE LOCATION.

Exhibit 2



TOPOGRAPHIC LAND SURVEYORS
Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
 MIDLAND, TX. 79705
 (800) 767-1653

EOG Resources, Inc.

Red Hills North Unit 606H

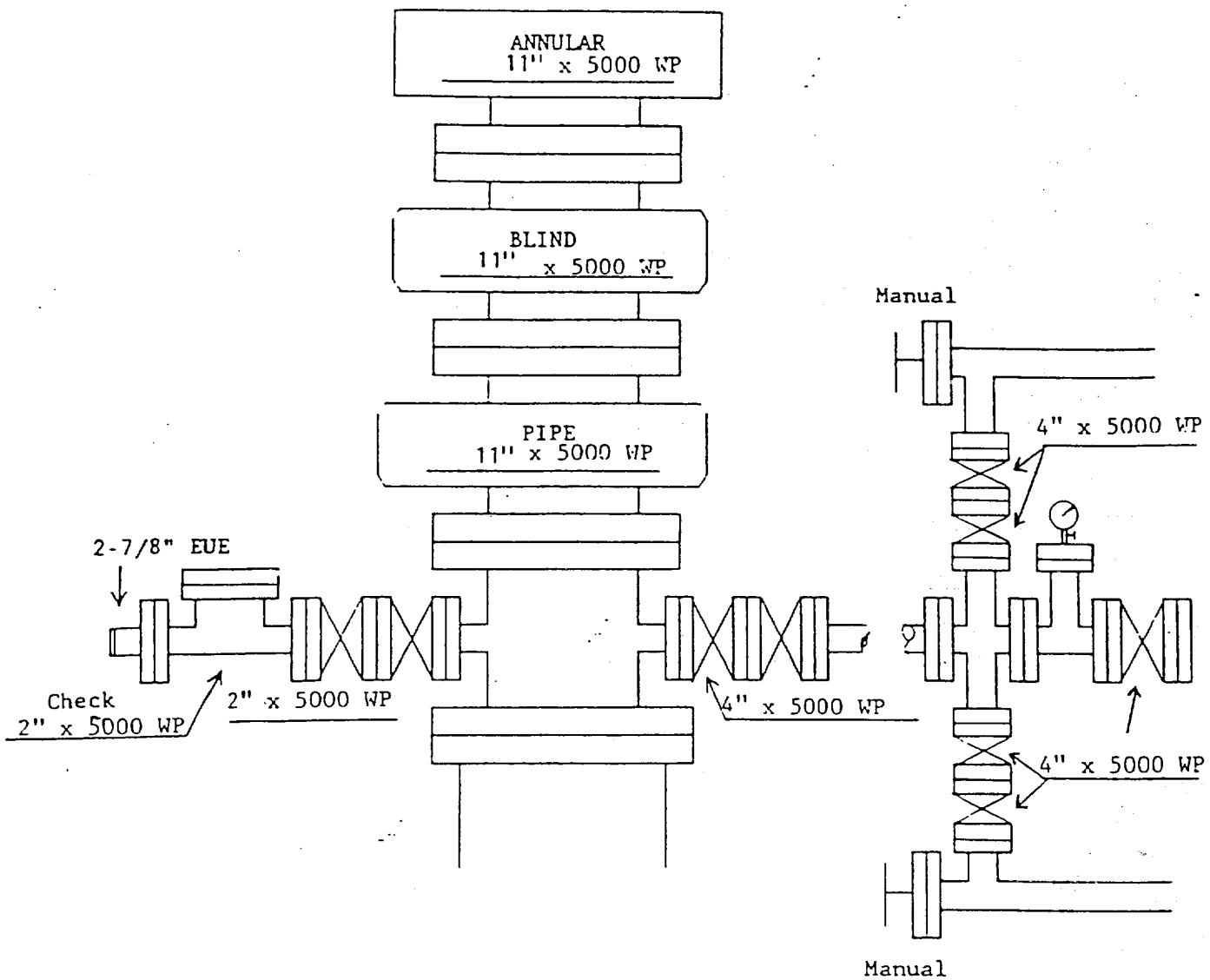


Exhibit 1

ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

ELF

9/25/02