

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires October 31, 2014

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 page 2

1. Type of Well

☒ 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)

432-686-3689

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL & 2310' FEL, SWNE (G)
Sec 17, T18S, R30E

5. Lease Serial No.

NMLC063621A

6. If Indian, Allottee or Tribe Name

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

NMNM128738

8. Well Name and No.

Sand Tank 17 Fed Com 3H

9. API Well No.

30-015-39168

10. Field and Pool, or Exploratory Area

Sand Tank; Bone Spring

11. County or Parish, State

Eddy

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

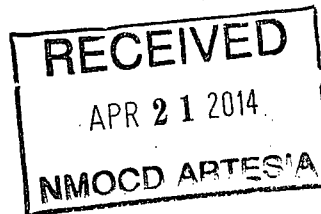
- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Request for |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | Off-Lease Measurement |

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. 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 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

EOG Resources requests permission for Off-Lease Measurement of Gas from our Sand Tank 17 Fed Com 3H. The well is located on Fed Lease NMLC063621A while the gas meter is located at a central gathering facility located on Fed Lease NMLC063621.

Facility cost savings to mineral owners of a central gathering facility is the basis for the request. Off-Lease measurement will have no impact on royalties paid to the federal government.

GAS SALE METER Located in SWSE, SEC. 8 T18S R30E
METER I.D. # 61681048

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record
NMOCD JES
4/21/14

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

Stan Wagner

Signature

Title Regulatory Analyst

Date 1/08/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

EPS

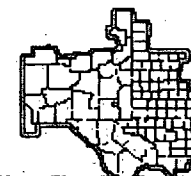
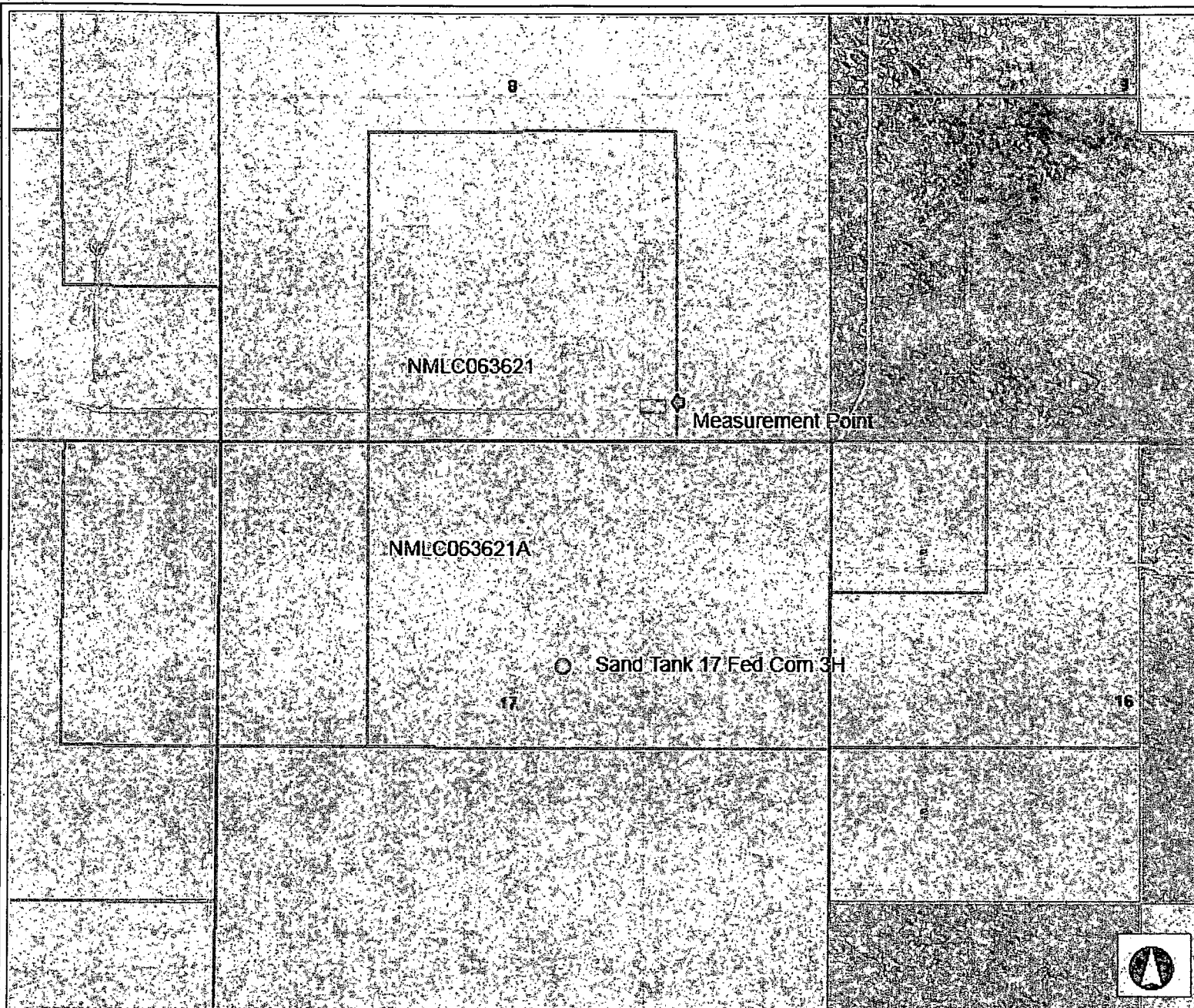
Date

4/17/14

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 lease which would entitle the applicant to conduct operations thereon.

Office

CFO



Legend

- EOG Leases
- Land Calendar Legend
 - EXPIRATION
 - OBLIGATION
 - PAYMENT
- EOG



MIDLAND DIVISION

Sand Tank 17 Fed Com 3H
 Sec 17, T18S, R30E
 Eddy, County
 Off-Lease Measurement

Author:

2,898.8 0 1,449.39 2,898.8 Feet

1: 17,393

Projection: WGS_1984_Web_Mercator_Auxiliary_Sphere

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

Date: 1/8/2014

☒ Certified Mail - Return
Receipt Requested
7012346000174039960

☐ Hand Delivered Received
by

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOTICE OF INCIDENTS OF NONCOMPLIANCE

| | |
|----------------|-------------|
| Identification | |
| ID | |
| Lease | NMLC063621A |
| CA | NMNM128738 |
| Unit | |
| PA | |

| | |
|---|---|
| Bureau of Land Management Office CARLSBAD FIELD OFFICE | Operator EOG RESOURCES INCORPORATED |
| Address 620 E GREENE STREET CARLSBAD NM 88220 | Address P O BOX 2267 MIDLAND TX 79702 |
| Telephone 575.234.5972 | Attention |
| Inspector HUGHES | Attn Addr |

| | | | | | | | |
|-----------------------------------|-------------------------|----------------------------|-----------------|--------------|-----------------|----------------|-------------|
| Site Name SAND TANK 17 FED COM | Well/Facility/FMP 3H | 1/4 1/4 Section SWNE 17 | Township 18S | Range 30E | Meridian NMP | County EDDY | State NM |
| Site Name SAND TANK FED COM | Well/Facility/FMP G | 1/4 1/4 Section SWSE 17 | Township 18S | Range 30E | Meridian NMP | County EDDY | State NM |

THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE

| Date | Time (24 - hour clock) | Violation | Gravity of Violation |
|--------------------------------------|------------------------|------------------------------------|----------------------|
| 08/29/2013 | 08:15 | 43 CFR 3162.1(a) & 43 CFR 3162.7-3 | MINOR |
| Corrective Action To Be Completed By | Date Corrected | Assessment for Noncompliance | Assessment Reference |
| 10/10/2013 | | | 43 CFR 3163.1(i) |

Remarks

FAILURE TO COMPLY WITH WRITTEN ORDER 13JH106W, WHICH DIRECTED YOU TO SUBMIT REQUEST ON SUNDRY NOTICE 3160-5 FOR PERMISSION FOR OFF LEASE MEASUREMENT OF GAS. WELL IS LOCATED SWNE SEC 17 T18S R30E IN LEASE NUMBER NMLC063621A. METER (ID 61681048) LOCATED AT FACILITY LOCATED SWSE SEC 8 T18S R30E IN LEASE NUMBER NMLC063621. SUBMIT REQUEST FOR OFF LEASE MEASUREMENT TO THIS OFFICE NO LATER (Remarks continued on following page(s).)

When violation is corrected, sign this notice and return to above address.

Company Representative Title Regulatory Analyst Signature Stan Wagon Date 11/8/14

Company Comments Per conversation w/ Jim Hughes

WARNING

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

REVIEW AND APPEAL RIGHTS

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer [Signature] Date 8/29/13 Time 08:25

FOR OFFICE USE ONLY

| | | | | |
|--------------------------|------|------------|---------|-------------|
| Number 24 | Date | Assessment | Penalty | Termination |
| Type of Inspection PI | | | | |

