Form 3160-5 (August 2007)

Approved By

# UNITED STATES DEPARTMENT OF THE INTERIOR

O	CD-HOBBS

FORM APPROVED OMB NO. 1004-0135

	Expires:	July	31
ease	Serial No.		

	UREAU OF LAND MANAG			Expires:	July 31, 2010
	NOTICES AND REPOR			Lease Serial No. NMNM19858	
Do not use thi		6. If Indian, Allottee or Tribe Name			
abandoned wel	II. Use form 3160-3 (APL	o) for such proposals.	0. 1	ii iidian, Anottee c	of Tribe Name
SUBMIT IN TRI	PLICATE - Other instruc	tions on reverse side.	7.	If Unit or CA/Agree	ement, Name and/or No.
1. Type of Well				Well Name and No. HAWK 26 FED 7	
☑ Oil Well ☐ Gas Well ☐ Oth		OTANI WA CNIED			)
Name of Operator     EOG RESOURCES INCORPO	Contact: ORATEDE-Mail: stan_wagn	STAN WAGNER er@eogresources.com		API Well No. 30-025-42403-0	00-X1
3a. Address		3b. Phone No. (include area code Ph: 432-686-3689	10.	Field and Pool, or WOLFCAMP	Exploratory
MIDLAND, TX 79702		Ph: 432-686-3689	OCD		
4. Location of Well (Footage, Sec., T	C., R., M., or Survey Description,			County or Parish,	and State
Sec 26 T24S R33E SESE 500 32.182585 N Lat, 103.536321		MAY 27	2016	LEA COUNTY,	NM
		DECE	VED		
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, REPO	RT, OR OTHE	R DATA
TYPE OF SUBMISSION		TYPE C	F ACTION		
Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (	Start/Resume)	☐ Water Shut-Off
□ Notice of Intent	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	1	■ Well Integrity
Subsequent Report	☐ Casing Repair	■ New Construction	□ Recomplete		<b>⊠</b> Other
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	□ Temporarily	Abandon	Change to Original A
	☐ Convert to Injection	☐ Plug Back	☐ Water Dispo	osal	
13. Describe Proposed or Completed Op- If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final At- determined that the site is ready for f	ally or recomplete horizontally, rk will be performed or provide I operations. If the operation res bandonment Notices shall be file	give subsurface locations and meas the Bond No. on file with BLM/BI sults in a multiple completion or re-	A. Required subseque completion in a new i	l depths of all pertinent reports shall be interval, a Form 316	nent markers and zones. c filed within 30 days 60-4 shall be filed once
EOG Resources requests and casing design and our intention	d amendment to our appro on to use a multi-bowl well	ved APD for this well to refle head system in the drilling o	ect a change in f the well.		
Detailed information regarding	the changes is attached.				
14. I hereby certify that the foregoing is	Electronic Submission # For EOG RESOU	338366 verified by the BLM W RCES INCORPORATED, sen	t to the Hobbs		
		ssing by PRISCILLA PEREZ o	LATORY ANALY	-	
Name (Printed/Typed) STAN WA	NOINER	THE REGU	LATURT ANALY	01	
Signature (Electronic S	Submission)	Date 05/04/	2016		
	THIS SPACE FO	R FEDERAL OR STATE	OFFICE USE		
			Accepted f	c Record	OTIY

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. 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 jurisdiction.



Accepted for Record Only

Title

Office

### 1. GEOLOGIC NAME OF SURFACE FORMATION:

Permian

### 2. ESTIMATED TOPS OF IMPORTANT GEOLOGICAL MARKERS:

D .1	1 0101
Rustler	1,218'
Top of Salt	1,710'
Base of Salt / Top Anhydrite	5,000
Base Anhydrite	5,248'
Lamar	5,248'
Bell Canyon	5,279
Cherry Canyon	6,273
Brushy Canyon	7,725
Bone Spring Lime	9,250'
1st Bone Spring Sand	10,220'
2 <sup>nd</sup> Bone Spring Lime	10,670
2 <sup>nd</sup> Bone Spring Sand	10,940'
3 <sup>rd</sup> Bone Spring Lime	11,360'
3 <sup>rd</sup> Bone Spring Sand	11,960'
Wolfcamp	12,300'
TD	12,500'

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

Upper Permian Sands	0-400	Fresh Water
Cherry Canyon	6,273	Oil
Brushy Canyon	7,725	Oil
Bone Spring Lime	9,250'	Oil
1st Bone Spring Sand	10,220	Oil
2 <sup>nd</sup> Bone Spring Lime	10,670	Oil
2 <sup>nd</sup> Bone Spring Sand	10,940	Oil
3 <sup>rd</sup> Bone Spring Lime	11,360'	Oil
3 <sup>rd</sup> Bone Spring Sand	11,960'	Oil
Wolfcamp	12,300	Oil

No other Formations are expected to give up oil, gas or fresh water in measurable quantities. Surface fresh water sands will be protected by setting 10.75" casing at 1,300' and circulating cement back to surface.

#### 4. CASING PROGRAM - NEW

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF <sub>min</sub> Collapse	DF <sub>min</sub> Burst	DF <sub>min</sub> Tension
14.75"	0 - 1,300	10.75"	40.5#	J55	STC	1.125	1.25	1.60
9.875"	0-8,000'	7.625"	29.7#	HCP-110	LTC	1.125	1.25	1.60
8.75"	8,000' - 11,400'	7.625"	29.7#	HCP-110	Ultra FJ	1.125	1.25	1.60
6.75"	0'-17.818'	5.5"	23#	HCP-110	ULT SFII	1.125	1.25	1.60

Variance is requested to wave the centralizer requirements for the 7-5/8" FJ casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation. Centralizers will be placed in the 9-7/8" hole interval at least one every third joint.

Variance is also requested to wave any centralizer requirements for the 5-1/2" FJ casing in the 6-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 6-3/4" hole interval to maximize cement bond and zonal isolation.

### **Cementing Program:**

Depth	No. Sacks	Wt.	Yld Ft <sup>3</sup> /ft	Mix Water Gal/sk	Slurry Description
10-3/4" 1,300	700	13.5	1.73	9.13	Class C + 4.0% Bentonite + 0.6% CD-32 + 0.5% CaCl <sub>2</sub> + 0.25 lb/sk Cello-Flake (TOC @ Surface)
	300	14.8	1.34	6.34	Class C + 0.6% FL-62 + 0.25 lb/sk Cello-Flake + 0.2% Sodium Metasilicate
7-5/8"	780	9.0	2.86	11.14	D195 LiteFill (Beads) + 0.50% Retarder + D046 Antifoam
11,400'	525	13.5	1.55	7.47	50:50 Class H:Poz + 0.10% D065 + 0.20% D112 + 10% D154 + 2.0% D174 + 0.40% D800
5-1/2" 17,818'	575	14.1	1.26	5.80	Class H + 0.1% C-20 + 0.05% CSA-1000 + 0.20% C-49 + 0.40% C-17

Note: Cement volumes based on bit size plus at least 25% excess in the open hole plus 10% excess in the cased-hole overlap section.

#### 5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Variance is requested to use a co-flex line between the BOP and choke manifold (instead of using a 4" OD steel line).

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5000-psi WP). Both units will be hydraulically operated and the ram-type will be equipped with blind rams on bottom and drill pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 5000/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 5000/250 psig and the annular preventer to 5000/250 psig. The intermediate casing will be tested to 2000 psi for 30 minutes.

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 hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

#### 6. TYPES AND CHARACTERISTICS OF THE PROPOSED MUD SYSTEM:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal.

The applicable depths and properties of the drilling fluid systems are as follows.

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 1,300°	Fresh - Gel	8.6-8.8	28-34	N/c
1,300' - 11,400'	Brine	8.8-10.0	28-34	N/c
11,400' – 17,818' Lateral	Oil Base	10.0-11.5	58-68	3 - 6

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

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) H<sub>2</sub>S monitoring and detection equipment will be utilized from surface casing point to TD.

#### 8. LOGGING, TESTING AND CORING PROGRAM:

Open-hole logs are not planned for this well.

GR–CCL Will be run in cased hole during completions phase of operations.

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

The estimated bottom-hole temperature (BHT) at TD is 170 degrees F with an estimated maximum bottom-hole pressure (BHP) at TD of 7475 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 60-90 days will be required for completion and testing before a decision is made to install permanent facilities.

#### 11. WELLHEAD:

A multi-bowl wellhead system will be utilized.

After running the 10-3/4" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 5000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5000 psi pressure test. This pressure test will be repeated at least every 30 days, as per Onshore Order No. 2

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 5000 psi.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Stream Flo FBD100 Multi-Bowl WH system has been sent to the NM BLM office in Carlsbad, NM.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

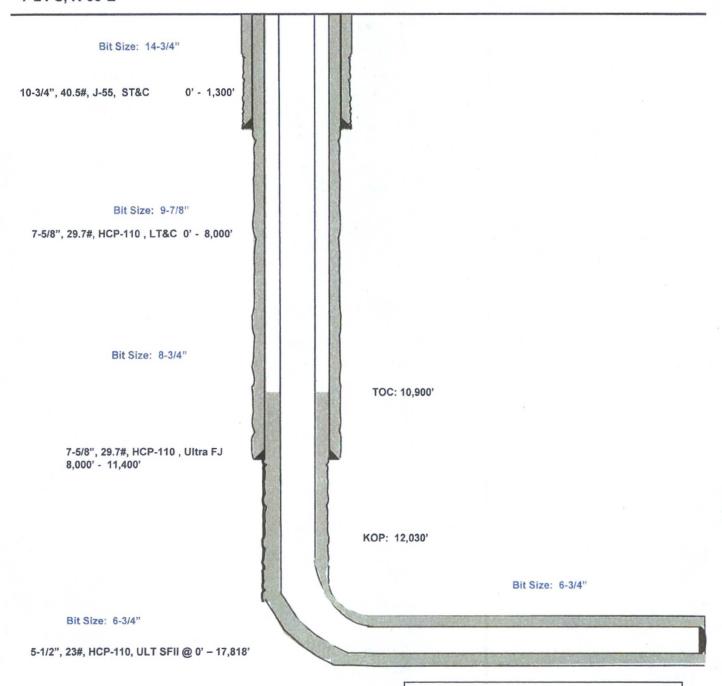
A solid steel body pack-off will be utilized after running and cementing the intermediate casing. After installation the pack-off and lower flange will be pressure tested to 5000 psi. Prior to running the intermediate casing, the rams will be changed out to accommodate the 7-5/8" casing. The bonnet seals will be tested to 1500 psi. After installing the intermediate casing the casing rams will be removed and replaced with variable bore rams. The remaining BOPE will not be retested after installing the intermediate casing.

Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

Wellhead drawing Attached.

500' FSL 685' FEL Section 26 T-24-S, R-33-E Lea County, New Mexico Proposed Wellbore Revised 5/4/16 API: 30-025-42403

KB: 3,568' GL: 3,538'



Lateral: 17,818' MD, 12,500' TVD Upper Most Perf: 10' FNL & 380' FEL Lower Most Perf: 330' FSL & 380' FEL BH Location: 230' FSL & 380' FEL

Section 35 T-24-S, R-33-E

