

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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.

OCD Hobbs

HOBBS OCD

DEC 06 2012

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, Texas 79702

3b. Phone No. (include area code)

432-686-3689

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

370 FNL & 1310 FWL, NWNW
Sec 31, T24S, R34E

5. Lease Serial No.

NMNM14497A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Diamond 31 Fed Com 3H

9. API Well No.

30-025-40485

10. Field and Pool, or Exploratory Area

Red Hills; BS Upper Shale

11. County or Parish, State

Lea

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 type="checkbox"/> Other _____ |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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 intends to move in Felderhoff Rig 25 to drill the surface and intermediate hole sections. The rig will be moved off location when the surface and intermediate casing has been run and cemented. Cactus Drilling Rig 123 will then move in within 30 to 90 days to drill the remainder of the hole as per the original APD.

The reason for using the smaller rig to set surface and intermediate casing is to improve the project economics. The BLM will be notified 24 hours prior to commencing drilling operations and will be notified to obtain approval to move the Felderhoff rig off location.

The surface casing will be set and cemented back to surface as per the approved APD. A 2000 psi (minimum) annular BOP and choke manifold will be installed above the 13-3/8" SOW X 13-5/8" 3000 psi casing head to drill the intermediate (12-1/4") hole section. The surface casing and BOPE will be tested to 1500 psi prior to drilling out the shoe track.

The intermediate casing will be set and cemented back to surface as per the approved APD. An 11" X 5000 psi capping flange with a 3000 psi valve will be installed prior to moving the rig off. The wellbore will be full of 8.33 ppg fresh water.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Stan Wagner

Title Regulatory Analyst

Signature

Date 11/27/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

DEC 3 2012

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

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT

CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

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EXHIBIT 1

EOG Resources
2000 PSI BOPE

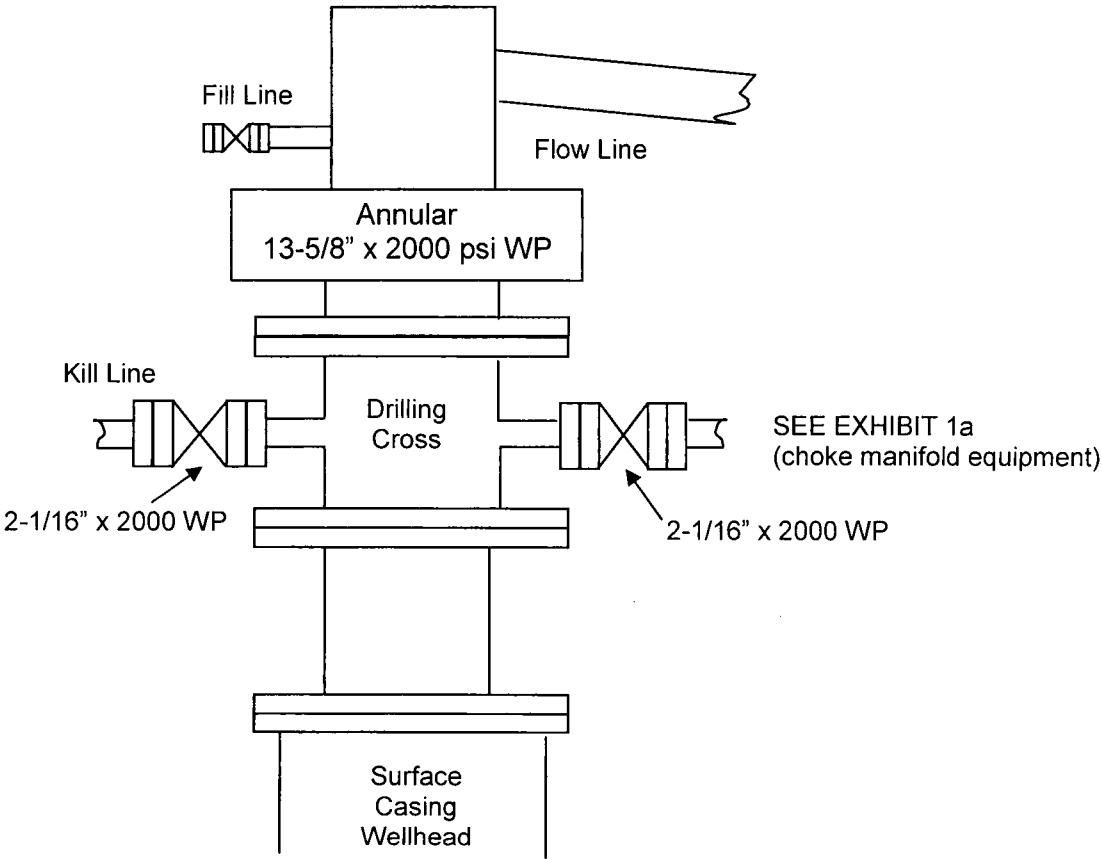


EXHIBIT 1a
EOG Resources, Inc.
2M Choke Manifold Equipment

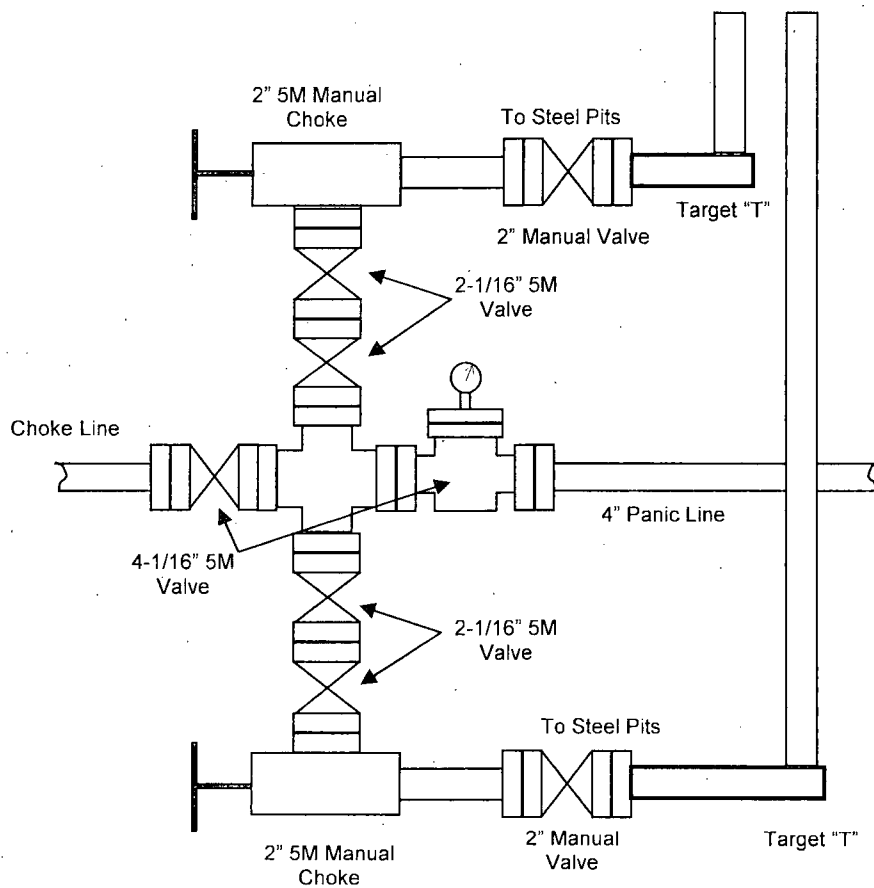
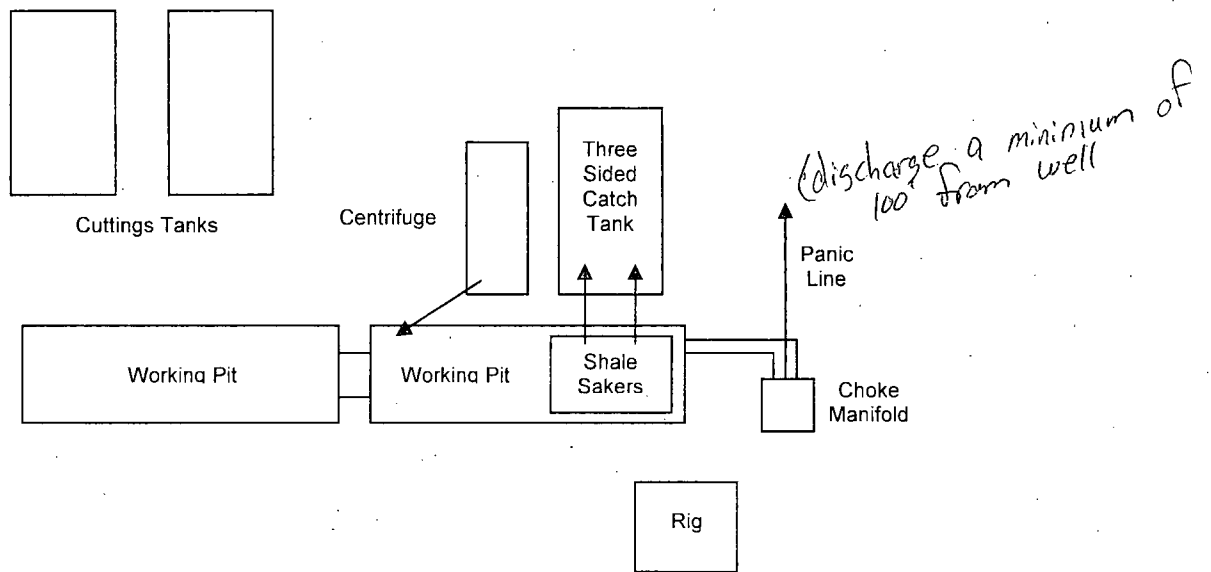


EXHIBIT 1b
EOG Resources, Inc.
Closed Loop Diagram



CONDITIONS OF APPROVAL

EOG Resources
Diamond 31 Fed Com 3H
30-025-40485

1. Setting surface and intermediate casing with Felderhoff Rig # 25.
 - a. Notify the BLM (575-393-3612) prior to rigging up and removing the Felderhoff Rig. **Install a gauge in the capping flange to monitor pressure.**
 - b. Notify the BLM when moving in the Cactus Rig # 123. Rig to be moved in within 60 days of notification that Felderhoff Rig has left the location. Failure to notify or have rig on location within 60 days will result in an Incident of Non-Compliance.
 - c. Once the Cactus Rig is on location, it shall not be removed from over the hole without prior approval unless the production casing has been run and cemented or the well has been properly plugged. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
 - d. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as Cactus Rig is rigged up on well. CIT for the intermediate casing shall be performed and results recorded on subsequent sundry – pressure to be 1500 psi.

CRW 120312