Form 3160-5 **∮**(August 2007)

#### UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

abandoned well. Use Form 3160-3 (APD) for such proposals.

OCD Hobbs HOBBS OCD

FORM APPROVED OMB NO. 1004-0137 Expires July 31, 2010

5. Lease Serial No.

NM108503 6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

APR 2 4 2013

| PCEN/ED |                                  |           |
|---------|----------------------------------|-----------|
|         | 7. If Unit or CA/Agreement, Name | and/or No |

|   |  | RE   | CENTER                                    |   |
|---|--|--|---|---|
| SUBMIT IN TRIPLICATE - Other instructions on page 2   |  |  | 7. If Unit or CA/Agreement, Name and/or N |   |
| 1. Type of Well  X Oil Well  Gas Well  Other  2. Name of Operator  EOG Resources Inc.  3a. Address                  |  | 3b. Phone No. (include ar  | rea code)                                 | 8. Well Name and No. Caballo 23 Federal 2H  9. API Well No. 30-025-40051              |
| P.O. Box 2267 Midland, Texas 79702  |  | 432-686-3689   |   | 10. Field and Pool, or Exploratory Area   |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey I<br>50' FNL & 2200' FWL, U/L & SHL<br>Sec 23, T25S, R33E |  | DICATE NATURE OF N   | NOTICE, REP                               | WC Red Hills: BS Upper Shale  11. County or Parish, State  Lea NM  ORT, OR OTHER DATA |
| TYPE OF SUBMISSION  |  |  | PE OF ACTION                              |   |
| X Notice of Intent Subsequent Report Final Abandonment Notice   | Acidize  Alter Casing  Casing Repair  Change Plans  Convert to Injecti | Deepen Fracture Treat New Construction Plug and Abandon On Plug Back | Reclama Recomp                            | olete Other   |
| 3 Describe Proposed or Completed Operation (clearly   | v state all nertinent deta   | ils including estimated start  | ing date of any                           | nronosed work and approximate duration thereof  |

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 recomplete 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonnent 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, Inc. requests authority for produced water disposal as related to information on the attached data sheet.

> SUBJECT TO LIKE APPROVAL BY STATE

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 Stan Wagn   | Date 4/15/2013 APPROVED       |
| THIS SPACE FOR FEDERA   | L OR STATE OFFICE USE         |
| Approved by /s/ Jerry Blakley   | Title APR 2 2 2013 Date       |
| 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 EAU OF LAND MANAGEMENT |

### Bureau of Land Management Carlsbad Field Office 620 E.Greene Street Carlsbad, New Mexico 88220 575-434-5972

## **Water Production & Disposal Information**

#### Caballo 23 Fed #2H

In order to process your disposal request, the following information must be completed:

| 1. Name    | of formations producing   | water on the lease.                   | Red Hills; Bo                  | one Spring               | Upper Shale     |       |
|------------|---|---------------------------------------|--------------------------------|--------------------------|-----------------|-------|
| 2. Amou    | nt of water produced fron   | n all formations in ba                | rrel per day.                  | 100 bbls                 |                 | ##*** |
| 3. How w   | vater is stored on the leas   | se. water sent                        | to the Caball                  | o Sec 23 T               | ank Battery     |       |
|            | 4. How water is moved to the disposal facility.  Lomas Rojas 26 SC #6 SWD |                                       | Water transfer pump / pipeline |                          |                 |       |
| 5. Identif | y the Disposal Facility by  | · ·                                   |                                |                          |                 |       |
|            |   |                                       |                                |                          |                 |       |
|            | A. Facility Operators Nar   | me.                                   | EOG Resou                      | rces, Inc.               |                 |       |
|            | A. Facility Operators Nar     B. Name of facility or wel                  | <del></del>                           |                                | rces, Inc.<br>ojas 26 SC | #6 SWD          |       |
|            | , ,   | ll name & number.                     |                                | <del></del>              | #6 S <b>W</b> D |       |
|            | B. Name of facility or wel  | ll name & number.<br>(WDW) (WIW) etc. |                                | ojas 26 SC               | #6 SWD          |       |

Submit 1 original and 5 copies on Sundry Notice 3160-5

## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

# Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
- 6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- 7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 9. This **approval is for produced water disposal only** and any hydrocarbons removed from lease by this method will be subject to royalty payment as well as other enforcement actions as necessary.
- 10. Disposal at any other site will require prior approval.
- 11. Subject to like approval by NMOCD.

JDB4/22/2013