Form 316 0 55 (August 2007)				ENT HOBBS OCD ON WELLS or to re-enter an IAN 3 0 2013		FORM APPROVED OMB NO. 1004-0137 Expires July 31, 2010 5. Lease Serial No. <u>NM 61605</u> 6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on page 2 RECEIVED						7. If Unit or CA/Agreement, Name and/or No. NMNM91067X	
P.O. Box 2267 Midland, Texas 79702 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 779' FNL & 1943' FWL, U/L C, Sec 21, T18S, R33E				0. (include ar 686 - 3684	ea code)	8. Well Name and No. East Corbin 6 Delaware Unit 9. API Well No. 30-025-30736 10. Field and Pool, or Exploratory Area West Corbin Delaware 11. County or Parish, State Lea NM	
12	CHECK APPROPRIAT	E BOX(ES) TO INI	DICATE NA			· · · ·	R DATA
ТҮРЕ О	F SUBMISSION	TYPE OF ACTION				<u></u>	
- X Notic	e of Intent equent Report	Acidize Alter Casing Casing Repair		en ure Treat Construction	Productio		Water Shut-Off Well Integrity Other
Final	Abandonment Notice	Casing Repair	Plug	and Abandon		rily Abandon	Repair leak
If the proposal is Attach the Bond following comple testing has been determined that th	ed or Completed Operation (clearl to deepen directionally or recomp under which the work will be pe- tion of the involved operations. completed. Final Abandonment 1 he final site is ready for final insp rces will be moving ir N.	blete horizontally, give s formed or provide the lf the operation results i Notices shall be filed or ection.)	ubsurface loca Bond No. on fi n a multiple co nly after all rec	tions and mea le with BLM pompletion or re puirements, in	sured and true vo (BIA. Required) ecompletion in a cluding reclamat	ertical depths of al subsequent report new interval, a Fo ion, have been co	l pertinent markers and zones. s shall be filed within 30 days orm 3160-4 shall be filed once mpleted, and the operator has
POOH w/ 2 Repair tul RIH w/ 2-3 Run MIT to Return to SEE AT	epair tubing or packer -3/8" IPC tubing and p bing and/or packer. 3/8" IPC tubing and pa est to 500 psi for 30 injection. TACHED FOR TIONS OF APPROV	oacker. Set pack ncker. Set pack minutes.	er@+/-!	5080'.		APPROV MAN 29 BUREAU OF LAN CARLSBAD	JED 2003 D MANAGEMENT FIELD OFFICE
14. I hereby certify that Name (Printed/Type	t the foregoing is true and correct						
Stan Wagner			Title				
Signature	in Wan		Date	12/3/203			
		S SPACE FOR FEL					
Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which you'd entitle the applicant to conduct operations impedent.				Title Date Office			
Title 18 U.S.C. Section 10	01, and Title 43 U.S.C. Section 1212, ements or representations as to any ma	makes it a crime for any pe atter within its jurisdiction.	rson knowingly a	and willfully to	make to any depart	ment or agency of th	e United States any false,
					MAY 2	D 2013	F

Conditions of Approval

EOG Resources Inc. East Corbin Delaware Unit #6 NMNM91067X API 3002530736 January 29, 2013

Well with a Packer - Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
 - a) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
 - b) Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
 - c) At least 24 hours before the test: In Eddy County email Paul R. Swartz <u>pswartz@blm.gov</u>, (phone 575-200-7902). If there is no response phone 575-361-2822. In Lea County email Andy Cortez <u>acortez@blm.gov</u>, (phone 575-393-3612 or 575-631-5801). Note the contact notification method, time, & date in your subsequent report.
 - d) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
 - e) Use of tubing internal protection, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
 - f) Submit the original subsequent sundry with three copies to BLM Carlsbad.
- 2) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
 - a) Approved injection pressure compliance is required.
 - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
 - i) Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 3) Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.

- 4) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
 - a) The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
 - b) **Submit a subsequent report (Sundry Form 3160-5)** describing the installation of packer fluid level monitoring equipment within 30 days of beginning injection.
 - c) The operator shall keep monthly records documenting that the casing annulus is fluid filled. A suggested format for these records is available from the BLM Carlsbad Field Office. Copies of those records shall be furnished at the request of a BLM authorized officer.
 - d) Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
 - e) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM's authorized officer (Paul R. Swartz <u>paul swartz@blm.gov</u> phone 575-200-7902). If there is no response phone 575-361-2822.
 - f) Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for planned well work involving a formation change, casing repair/replacement, and injection well fracture treatment for approval by BLM and NMOCD. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days. Packer and tubing repair (normal maintance procedures) do not require a NOI, but a subsequent sundry needs to be filed. <u>http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html</u> (see CFR § 3162.3-2 43 & CFR § 3160.0-9 (c)(1)).
 - g) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of required equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.

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