

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
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.*5. Lease Serial No.
NMNM19859

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
TRISTE DRAW 3 FED 01

2. Name of Operator

Contact: STAN WAGNER

EOG RESOURCES INCORPORATED E-Mail: stan_wagner@eogresources.com

9. API Well No.
30-025-34518-00-S1

3a. Address

MIDLAND, TX 79702

3b. Phone No. (include area code)

Ph: 432-686-3689

10. Field and Pool, or Exploratory
JOHNSON RANCH

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

Sec 3 T25S R33E SENE 1826FNL 660FEL

JUL 16 2014

11. County or Parish, and State
LEA COUNTY, NM**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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 site is ready for final inspection.)

EOG Resources proposes to convert this well to SWD as follows:

1. Set 2-7/8" CIBP at 13571'.
2. Bail 2" (35') Class H Cement on CIBP.
3. Cut and recover 2-7/8" tubing at +/- 12513'.
4. Spot 100 sx Class H cement inside 2-7/8" tubing and fill tubing from 12850' to top of stub at +/- 12513' and TAG. 3400'
5. Spot 50 sx Class H cement at 9500' and TAG. (Bone Spring)
6. Spot 50 sx Class H cement at 7500' and TAG.
7. Perforate 5-1/2" casing at 5100'.
8. Squeeze 275 sx Class C cement.
9. Spot 51 bbls Acetic acid across proposed injection interval (5000'-7200').
10. Perforate injection interval from 5000' - 7200' (or as approved by NMOCDD).

5150

5150

SEE ATTACHED FOR
CONDITIONS OF APPROVALSUBJECT TO LIKE
APPROVAL BY STATE

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #242551 verified by the BLM Well Information System

For EOG RESOURCES INCORPORATED, sent to the Hobbs

Committed to AFMSS for processing by JENNIFER MASON on 05/07/2014 (14JAM0054SE)

Name (Printed/Typed) STAN WAGNER

Title REGULATORY ANALYST

Signature (Electronic Submission)

Date 04/17/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

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

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 or to make for any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

JUL 17 2014

Additional data for EC transaction #242551 that would not fit on the form

32. Additional remarks, continued

11. TIH w/ 5-1/2" nickel plated packer on 2-7/8" IPC tubing, set packer at 4950' or within 100' of uppermost perf.

12. Conduct MIT test. With good test, place well on injection.

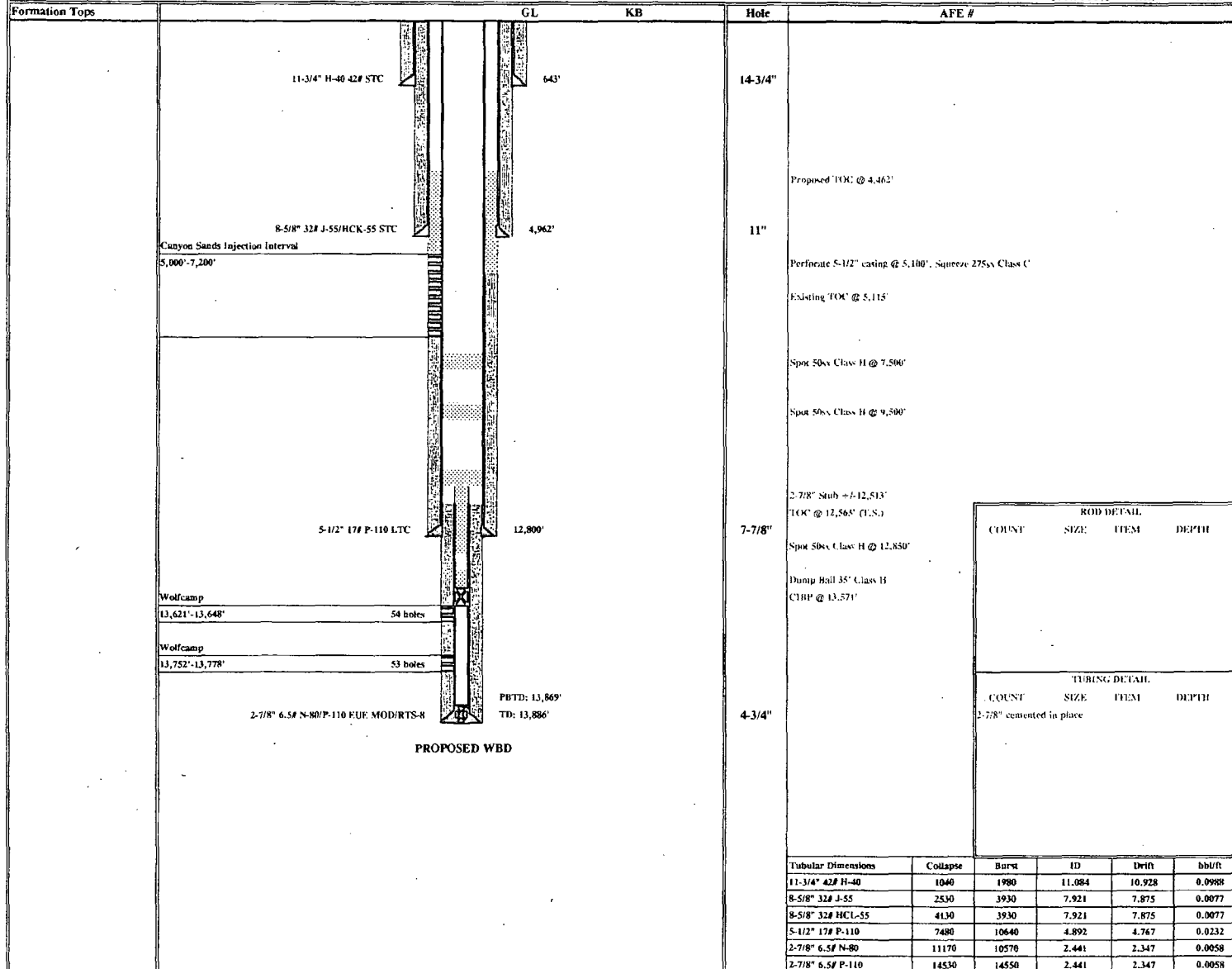
*NMOCD order # SWD-1478.

TRISTE DRAW 3 FED #1

API# 30-000-0000
Sect 3, T25S, R33E
1826' FNL & 660' FEL
Lea County, NM



SPUD TO
DRILLING
LAST REVISED 11/4/2013 SMR
WI 100.0000% NRI 78.0000%

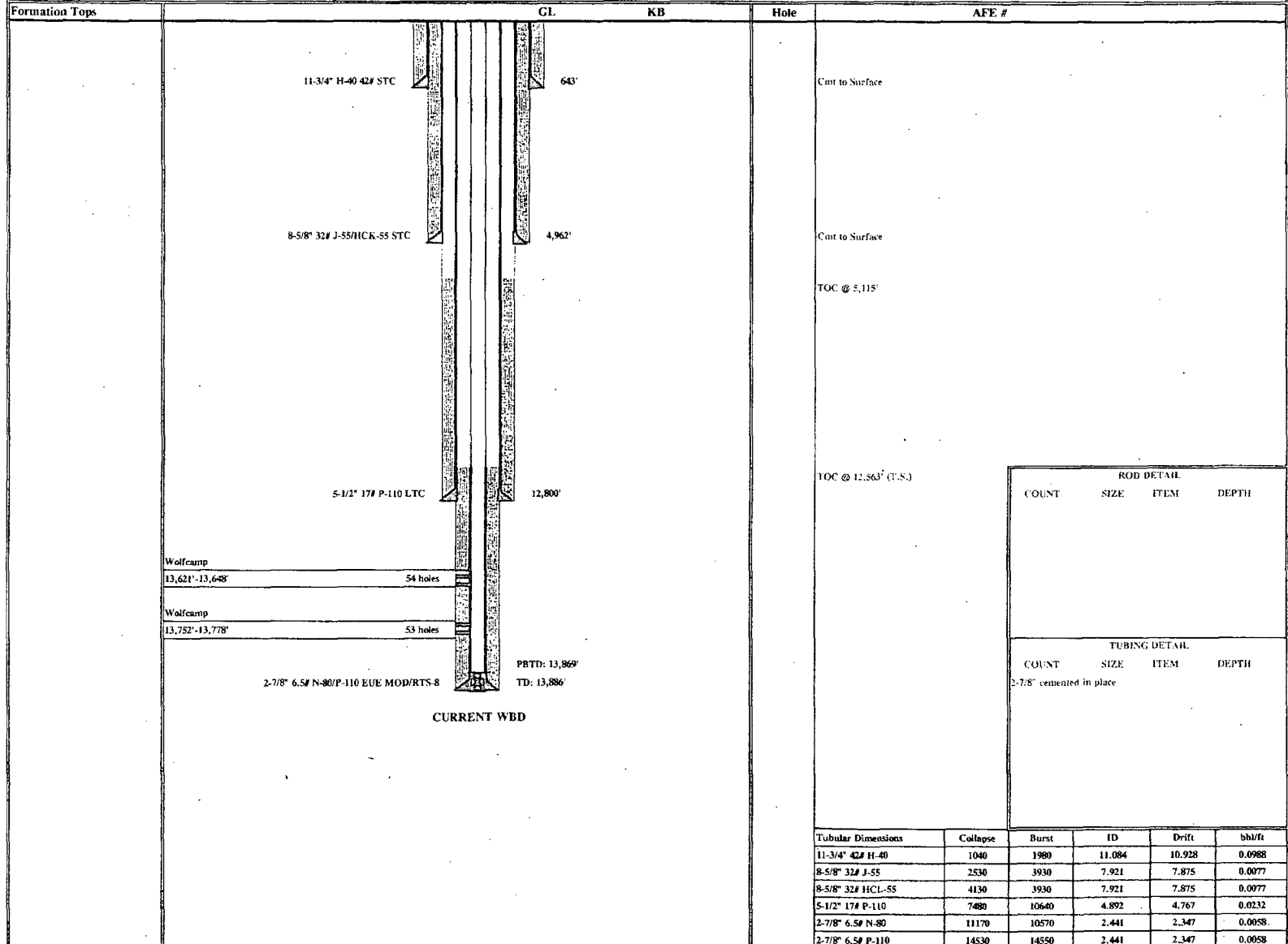


TRISTE DRAW 3 FED #1

API# 30-000-0000
Sect 3, T25S, R33E
1826' FNL & 660' FEL
Lea County, NM



SPUD TD
DRILLING
LAST REVISED 11/4/2013 SMB
WI 100.0000% NRI 78.0000%



**Triste Draw 3 Federal 1
30-025-34518
EOG Resources
July 14, 2014
Conditions of Approval**

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by October 14, 2014.

- 1. Step 1 approved as written.**
- 2. Step 2: Bail 5 sx. WOC and tag.**
- 3. Step 3 approved as written.**
- 4. Step 4: WOC and tag a minimum of 50' above stub.**
- 5. Operator shall place a balanced Class H Cement plug from 12,470'-12,245' to seal the top of the Wolfcamp formation. Plug must be a minimum of 225' in length.**

Note: Step 4 and additional plug above (number 5) may be combined into one plug. WOC. Tag at a minimum of 12,245' required.
- 6. Step 5: set plug at 9400' and tag at a minimum of 9200'**
- 7. Step 6-8 approved as written.**
- 8. Run a CBL and submit results to the BLM. If TOC is lower than the injecting interval, operator will need to submit a cement remediation plan prior to proceeding.**
- 9. Steps 10-11 approved as written.**
- 10. Operator must run a production test to verify that the Bone Spring is not capable of producing in paying quantities. Submit results to BLM.**
- 11. Step 12: See next page.**

Well with a Packer - Operations

- a. Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established.
- b. The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential 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). Verify all annular casing vent valves are open to the surface during this pressure test. 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.
- c. Document the pressure test on a one hour full rotation 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.
- d. Make arrangements 24 hours before the test for BLM to witness. In Lea County phone 575-393-3612. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number
- e. 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.
- f. Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry.
- g. **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- h. 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. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- i. Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- j. The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.
- k. A "Best Management Practice" is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.

- l. Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
 - m. A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
 - n. Gain of annular fluid pressure requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0 psia. Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
 - o. 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 installed 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. The setting depths and descriptions of each are to be included in the subsequent sundry
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12. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
 13. Surface disturbance beyond the originally approved pad must have prior approval.
 14. Closed loop system required.
 15. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
 16. Operator to have H2S monitoring equipment on location.
 17. A minimum of a **5000 (5M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (5M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

18. Subsequent sundry required detailing work done, C-102, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.
19. See attached for general requirements.

JAM 071414

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

General Requirements for Plug Backs

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822.
3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement.

Before pumping cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.