Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

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. NMNM108501 6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 3018 1. Type of Well Oil Well Gas Well Other: INJECTION					7. If Unit or CA/Agreement, Name and/or No. NMNM104037X	
Type of Well Oil Well	007	2 3	Well Name and No. RED HILLS NORT	TH UNIT 706		
2. Name of Operator EOG RESOURCES INCORPO	X es.com	ECEIN	9. API Well No. 30-025-32814-0	0-S2		
3a. Address 3b. Phone No Ph: 432-68			(include area code)		10. Field and Pool or Exploratory Area RED HILLS-BONE SPRING, NORTH	
MIDLAND, TX 79702						
4. Location of Well (Footage, Sec., T.	•		11. County or Parish, State			
Sec 7 T25S R34E NESE 1830 32.142781 N Lat, 103.502596			LEA COUNTY,	NM		
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent	☐ Acidize ☐ Dec		oen	☐ Production (Start/Re		■ Water Shut-Off
<u> </u>	☐ Alter Casing			☐ Reclamation		☐ Well Integrity
☐ Subsequent Report	Casing Repair	\ \ \ \ \	Construction	☐ Recomplete		☐ Other
☐ Final Abandonment Notice	ctice ☐ Change Plans ☐ Plug ☐ Convert to Injection ☐ Plug				arily Abandon	
			Back	☐ Water Disposal		
following completion of the involved testing has been completed. Final Ab determined that the site is ready for fix EOG PROPOSES TO PLUG A WELLBORE SCHEMATICS A	andonment Notices must be fil nal inspection. AND ABANDON THIS W	ed only after all:	equirements, includi	ing reclamation PROCEDU SEI	n, have been completed a	PROPOSED
Below ground	level dri	, hol	c Mar	Ker	reggin-)
14. I hereby certify that the foregoing is true and correct. Electronic Submission #438121 verified by the BLM Well Information System For EOG RESOURCES INCORPORATED, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 10/03/2018 (19DLM0018SE)						
Name (Printed/Typed) KAY MADDOX			Title REGULATORY SPECIALIST			
Signature (Electronic Submission)			Date 10/03/2018			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved By 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. Oritle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person				SkaN willfully to m	Field OA	Date 7'C-1 agency of the United
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.						

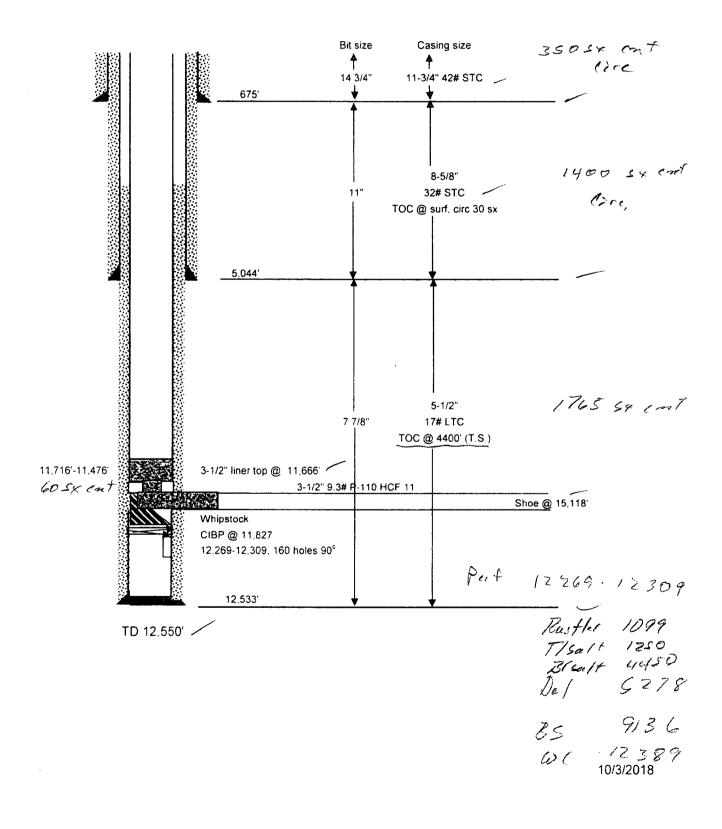
RHNU #706 WIW P&A Procedure

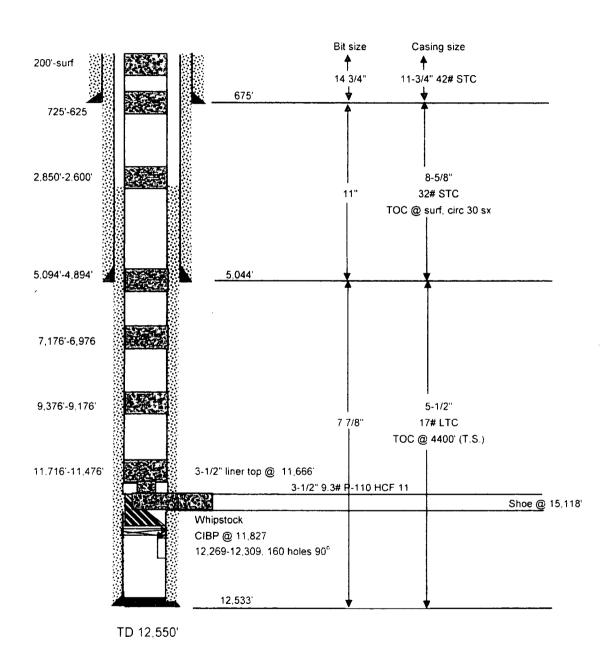
- 1. Well status is currently TA, with TOC @ 11,476'
- 2. Spot 25 sx class H@ 9376-9176' 9186 8986 (Top Bone Spring)
- Spacer 3. Spot 25 sx class C @ 7176'-6976'
- 4. Spot 25 sx class C @ 5,094' 4,894'. WOC & tag (8-5/8" shoe) 5 3 38 4 994 *

 5. Perf and squeeze 25 sx class C @ 2850'-2600' 1300 1200. DDC Tag (Top Salt)
- 6. Perf and squeeze 25 sx class C @ 725'-625' (WOC & tag, 11-3/4" shoe)
- 7. Perf and squeeze 40 sx class C @ 200-surface
- 8. Cut off wellhead and weld on dry hole marker

* Add flug! fort@ 4500, SQZ ent to 4350. WOC Tag (Base Salt)

RHNU No. 706 1860' FSL & 660' FEL Sec. 7-25S-34E Lea County, New Mexico





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

Permanent Abandonment of Federal Wells Conditions of Approval (LPC Habitat)

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 <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug 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. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement</u>: 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. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. Before pumping or bailing 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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off. Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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 well was plugged.**
- 8. <u>Trash:</u> 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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted