

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM 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.

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)

560' FSL & 240' FEL U/L P
Sec 1, T-18-S, R-29-E

5. Lease Serial No

LC060905a

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No
NMN127759

8. Well Name and No

Sand Tank 1 3H

Fed Com

9. API Well No.

30-015-37215

10. Field and Pool, or Exploratory Area
Sand Tank; Bone Spring

11. County or Parish, State

Eddy 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 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 checked="" 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 recomple 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 recomple 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.)

1. Water is produced from the Bone Spring formation.

2. The well makes approximately 5 BWPD.

3. Water is stored in a 500 bbl fiberglass tank.

4. Water is trucked to the disposal facility.

5. Water is disposed of at the COG Operated - Sand Tank 32 State Com No. 2, located
1650' FSL & 1650' FEL, U/L J, Sec 32, T17S, R30E, Eddy County.

6. NMOCD order number SWD-684.

Facility Diagram Attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED

AUG 22 2012

NMOCD ARTESIA

Accepted for record

NMOCD

8/30/12

ACCEPTED FOR RECORD

AUG 18 2012

/s/ JD Whitlock Jr

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

Stan Wagner

Title

Regulatory Analyst CARLSBAD FIELD OFFICE

Signature

Date

8/9/12

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

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

Water Production & Disposal Information

Sand Tank 1 Fed Com 3H

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

1. Name of formations producing water on the lease. Bone Springs
 2. Amount of water produced from all formations in barrel per day: 5 BWPD
 3. How water is stored on the lease. 1 - 500 bbl fiberglass tank
 4. How water is moved to the disposal facility. Trucked
 5. Identify the Disposal Facility by:
 - A. Facility Operators Name. COG Operating LLC
 - B. Name of facility or well name & number Sand Tank 32 State Com 2
 - C. Type of facility or well (WDW) (WIW) et WDW
 - D. The Appropriate NMOCD permit number: SWD-684
- 1/4 1/4 NWSE Section 32 Township 17S Range 30E

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

EOG Resources
 Sand Tank 1 Fed Com # 3H
 API # 30-015-37215
 LC060905A (SHL) B-7072 (BHL)
 560' FSL 240' FEL Sec.1-T18S-R29E Unit P
 Eddy County, New Mexico

EOG Resources
 P.O. Box 5626 Tatum HWY
 Lovington NM 88260

Oil sales description as by tank gauge to tank truck.

Production Phase (OT # 64018) positioned

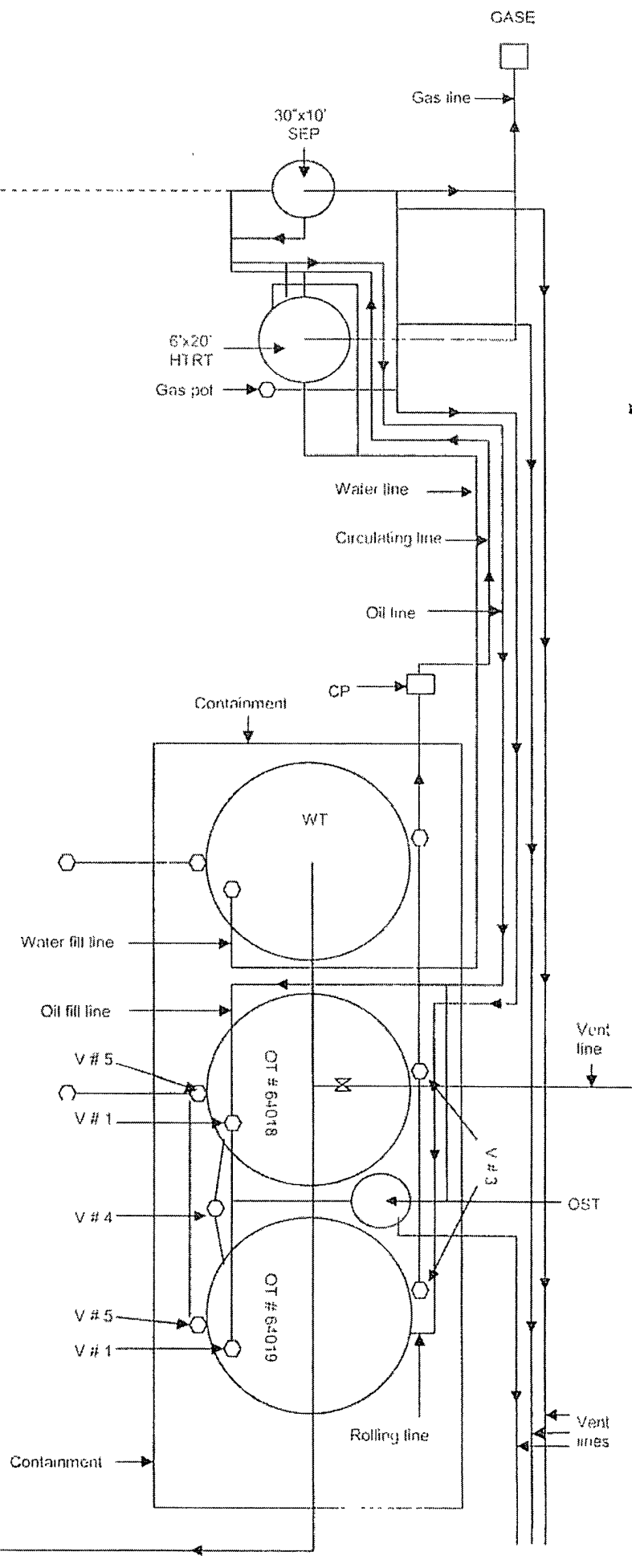
- (1) Valve # 1 open
- (2) Valve # 3 open
- (3) Valve # 4 open
- (4) Valve # 5 sealed closed
- (5) Valves on (OT # 64019) positioned
 - (A) Valve # 1 sealed closed
 - (B) Valve # 3 sealed closed
 - (C) Valve # 4 closed or open
 - (D) Valve # 5 sealed closed

Sales Phase (OT # 64018) positioned

- (1) Valve # 1 sealed closed
- (2) Valve # 3 sealed closed
- (3) Valve # 4 sealed closed
- (4) Valve # 5 open
- (5) Valves on (OT # 64019) positioned
 - (A) Valve # 1 open
 - (B) Valve # 3 open
 - (C) Valve # 4 sealed closed
 - (D) Valve # 5 sealed closed

HTRT - Heater Treater
 WT - Water Tank
 OT - Oil Tank
 CP - Circulating Pump
 SEP - Separator
 GASE - Electronic Orifice Gas Meter
 OST - Oil Stabilizer Tower
 V # 1 - Oil Fill Line Valve
 V # 3 - Circulating Line Valve
 V # 4 - Equalizer Line Valve
 V # 5 - Oil Sales Line Valve

Kimark Flare



**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. Disposal at any other site will require prior approval.
10. Subject to like approval by NMOCD.

4/28/2012