Form 3160-5 (June 2015)

Carlsbad Field Office

FORM APPROVED OMB No. 1004-0137

BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS at use this form for proposals to drill or to re-enter an

Expires: January 31, 2018 5. Lease Serial No. LC051102a (SL); LC060906 (BHL)

6. If Indian, Allottee or Tribe Name

	Use Form 3160-3 (A					
SUBMIT IN TRIPLICATE - Other instructions on page 2				7. If Unit of CA/Ag	greement, Name and/or No.	
I. Type of Well						
✓ Oil Well Gas Well Other				8. Well Name and No. Sand Tank 1 Fed Com 4H		
2. Name of Operator EOG Resources, Inc.				9. API Well No. 30-015-37214		
			lude area code)		or Exploratory Area	
		(432) 686-3684		Sand Tank; Bon	Sand Tank; Bone Spring	
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)				11. Country or Pari	sh, State	
2250' FNL & 330' FEL, U/L H, Sec 1, T18S, R29E				Eddy, NM	Eddy, NM	
12. CHE	CK THE APPROPRIATE BO	OX(ES) TO INDICA	ATE NATURE OF	NOTICE, REPORT OR C	THER DATA	
TYPE OF SUBMISSION				TYPE OF ACTION		
✓ Notice of Intent	Acidize	Deepen		Production (Start/Resum	e) Water Shut-Off	
. Total of Tikolik	Alter Casing	Hydraulio	Fracturing	Reclamation	Well Integrity	
Subsequent Report	Casing Repair	New Con	struction	Recomplete	✓ Other	
oubsequent report	Change Plans	Plug and	Abandon	Temporarily Abandon		
Final Abandonment Notice	Convert to Injection	Plug Bacl	· _	Water Disposal		
completed. Final Abandonment Not is ready for final inspection.) EOG Resources, Inc. reque	ns. If the operation results in ices must be filed only after state the usage of a: 24"	a multiple complet all requirements, in Kimray Smart F	ion or recompletic cluding reclamatic flare to be use	on in a new interval, a Form on, have been completed an ed for Tank Vapor Flar	16	
4. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Renee' Jarratt			Regulatory Ar	nalyst		
Reflee Janati		Titl	e ,			
Signature Come Tarratt		Dat	Date 12/08/2015			
	U THE SPACE	FOR FEDERA	AL OR STAT	E OFICE USE		
Approved by Whitle	rkg		Title LIE		Date 26/16	
Conditions of approval, if any, are attached Approval of this notice does not warrant or crify 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 C	-o.		

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 to any department or agency of the United States

any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

CONDITIONS OF APPROVAL TO INSTALL VAPOR COMBUSTOR UNIT (VCU)

EOG Resources, Inc. Sand Tank 1 Fed Com 4H 3001537214, NMNM127524

- These conditions of approval are for installation of a VCU on low-pressure oil storage tank
 facilities. This approval is due to the fact that the cost of installing and operating equipment
 necessary to capture the gas exceeds the value of the gas over the life of the facility. The
 operator may be required to provide economic justification to the Authorized Officer upon
 request. The operator may be required to provide volume verification to the Authorized
 Officer upon request.
- 2. Comply with NTL-4A requirements.
- 3. If volume being combusted is less than 50 MCF of gas per day, it is considered "unavoidably lost", therefore, no royalty obligation shall be accrued and will not be required to be reported.
 - a. "Unavoidably Lost" production shall mean (1) those gas vapors which are released (in this case combusted) from low-pressure storage tanks.
- 4. Essentially all measured combusted volumes over 50 MCF will require payment of royalties and volumes need to be reported on OGOR "B" reports as disposition code "08".
- 5. Per 43 CFR 3162.7-5(d)/Onshore Order No.3.III.I.1, site facility diagram must be submitted within 60 days of equipment installation.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Subject to like approval from NMOCD.