

UNITED STATES **OCD-ARTESIA**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

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 reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	FEB 08 2008
2 Name of Operator EOG RESOURCES, INC.	
3a Address P.O. Box 2267 Midland, Texas 79702	3b Phone No. (include area code) 432 686 3642
4. Location of Well (Footage, Sec, T., R., M., or Survey Description) 330' FNL & 2300' FWL (U/L C) of Section 10, T18S-R30E, N.M.P.M.	

5 Lease Serial No NMNM 01159
6. If Indian, Allottee or Tribe Name
7 If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. SAND TANK 10 Fed 1
9. API Well No. 30-015- 36071
10. Field and Pool, or Exploratory Area Sand Tank; Bone Spring
11. County or Parish, State Eddy

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 checked="" 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 checked="" 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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, Inc. ("EOG") proposes to amend the Casing Program, Cementing Program and the Mud Program for the subject well.

Please see attached document referencing said changes.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Donny G. Glanton		Title Senior Lease Operations ROW Representative	
Signature <i>Donny G. Glanton</i>		Date 01/28/2008	
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.		Title _____ Office _____	
		Date FEB 6 2008 <i>Wesley W. Ingram</i> WESLEY W. INGRAM PETROLEUM ENGINEER	

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

(Instructions on page 2)

Permit Information:

Well Name: Sand Tank 10 Fed #1

Revised 1/28/08

Location:

SL 330' FNL & 2300' FWL, Section 10, T-18-S, R-30-E, Eddy Co., N.M.
BHL Same

Casing Program:

Casing	Setting Depth	Hole Size	Casing Size	Casing Weight	Casing Grade	Desired TOC
Surface	350'	14-3/4"	11-3/4"	42#	H-40	Surface
Intermediate	3,300'	11"	8-5/8"	32#	J-55	Surface
Production	8,300'	7-7/8"	5-1/2"	17#	N-80	2,600'

Cement Program:

Depth	No. Sacks	Slurries:
350'	500	Premium Plus C + 0.005 pps Static Free + 2% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
3,300'	555	Lead: 50:50 Poz C + 0.005 pps Static Free + 5% NaCl + 0.25 pps CelloFlake + 5 pps LCM-1 + 0.005 gps FP-6L + 10% Bentonite
	200	Tail: Premium Plus C + 0.005 pps Static Free + 1% CaCl ₂ + 0.25 pps CelloFlake + 0.005 gps FP-6L
8,300'	350	Lead: 50:50 Poz C + 0.005 pps Static Free + 5% NaCl + 0.25 pps CelloFlake + 5 pps LCM-1 + 0.005 gps FP-6L + 10% Bentonite
	300	Tail: 50:50 Poz H + 2% Bentonite + 0.005 gps FP-6L + 0.005 pps Static Free + 5% NaCl + 0.1% R-3 + 0.2% CD-32 + 0.3% FL-52A

Mud Program:

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 350'	Fresh - Gel	8.6-8.8	28-34	N/c
350' – 3,300'	Brine	10.0-10.2	28-34	N/c
3,300' – 7,000'	Fresh Water	8.4 – 8.6	28-34	N/c
7,000' – 7,500'	Cut Brine	8.8-9.6	28-34	N/c
7,500' – 8,300'	Cut Brine	8.8-9.6	28-34	10-15

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 2 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. A Hydrogen Sulfide (H₂S) Drilling Plan should be activated 500 feet prior to drilling into the **Bone Spring** formation. **Hydrogen Sulfide has been measured from 150-380 ppm in gas streams.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING

1. The 11-3/4 inch surface casing shall be set **a minimum of 25 feet into the Rustler Anhydrite and above the salt at approximately 350 feet** and cemented to the surface. **Additional cement may be needed.**
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement). **Please provide WOC times to inspector for cement slurries.**

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial action will be done prior to drilling out that string.

Possible water flows in the Salado Group and Premier member of the Grayburg formation.

- 2. The minimum required fill of cement behind the 8-5/8 inch intermediate casing is:

☒ Cement to surface. If cement does not circulate see B.1.a-d above.
Casing should be set just above the San Andres dolomite at approximately 3300' although this formation could be as deep as 3450'. Please provide WOC times to inspector for cement slurries.

- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

☒ Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification. **Tie-back of 500' required due to Secretary's Potash. Please provide WOC times to inspector for cement slurries.**

- 4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. The appropriate BLM office shall be notified a minimum of 2 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

- d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
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Engineer on call phone (after hours): Carlsbad: (575) 706-2779

WWI 011008