Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

NMOCD Artesia

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. NMNM94830 6. If Indian, Allottee or Tribe Name

SUBMIT IN 1	7. If Officer CA/Agr	7. If Offit of CA/Agreement, Name and/of No.					
1. Type of Well		8. Well Name and No. CUADRITO AZO FEDERAL 1					
☑ Oil Well ☐ Gas Well ☐ Oth	· ·						
2. Name of Operator EOG Y RESOURCES, INC.	9. API Well No. 30-015-32172	9. API Well No. 30-015-32172					
3a. Address 104 SOUTH FOURTH STREE	3b. Ph:	10. Field and Pool o	10. Field and Pool or Exploratory Area WILDCAT; ABO				
ARTESIA, NM 88210	Fx:	WC 015	202331B - Abo				
4. Location of Well (Footage, Sec., T.	11. County or Parish	11. County or Parish, State					
Sec 31 T20S R23E NWNW 86	S5FNL 660FWL		EDDY COUNT				
			W	0/fcamp 9836/			
12. CHECK THE AF	PPROPRIATE BOX(ES) TO I	NDICATE NATURE OF					
TYPE OF SUBMISSION	TYPE OF ACTION						
En Nation of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off			
☑ Notice of Intent	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity			
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	Recomplete	☐ Other			
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon				
	☐ Convert to Injection	☑ Plug Back	☐ Water Disposal				
MIRU all safety equipment necessary with fresh water. Set a CIBP at 8146 ft with 2 perforations. Load hole with 85 bbls plug This will leave a plug across C4. Perforate Wolfcamp 4700 ft.	to plugback, test Wolfcamp and as needed. NU BOP. POOH vistors of the second state of	with tubing and packer. L This will place a plug over C cement plug from 5690	as follows: .oad hole as r open Morrow o ft 15930A.TTACHEC CANDITIONS O	RECEIVED FOR F APPROVAL			
14. I hereby certify that the foregoing is	true and correct. Electronic Submission #39128 For EOG Y RESOL	5 verified by the BLM Well	Information System	# //			
	For EOG Y RESOL Committed to AFMSS for proce	JRCES, INC., sent to the C essing by JENNIFER SANC	Carlsbad CHEZ on 10/26/2017 ()	// \ / /			
Name (Printed/Typed) TINA HUE	RTA	Title REGULA	ATORY SPECIALIST /				
Signature (Electronic S	Submission)	Date 10/09/20	APPROVE/				
	THIS SPACE FOR F	EDERAL OR STATE	FFICE USE				
			OCT 2 6 XXX	/ 			
Approved By		Title		Day			
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to condi-	uitable title to those rights in the subje		BUREAU OF LAND MANAGE CARLSBAD FIELD OF IC	E A			
Fitle 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent			willfully to make to any department of	or agency of the United			
Instructions on page 2)	OR-SUBMITTED ** OPER	ATOR-SUBMITTED **	OPERATOR-SUBMITTE	n **			

Additional data for EC transaction #391285 that would not fit on the form

32. Additional remarks, continued

throughout the acid flush to the bottom perf with treated water. Swab, flow test and evaluate.

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6. Set a CIBP at 4650 ft with 35 ft cement on top. This will leave a plug over Wolfcamp perforations. WOC 8 hrs. Load hole with treated water and pressure test the casing to 3000 psi.

7. Perforate Abo 3700 ft - 4600 ft (901).

8. TIH with packer and set 120 ft above top perf.

9. Acidize with 5000g 20 percent NEFE acid. Drop 1.3 SG RCN ball sealers spaced out evenly throughout the acid flush to the bottom perf with treated water. Limit STP to 5000 psi. Swab, flow test and evaluate. Consider turning the well over to production. If the decision to frac, POOH with packer and tubing. Load hole as necessary with treated water. See attached page for number 10 for frac details. number 10 for frac details.

11. Flow test and evaluate and let the well clean up, if the well is dead or pressure is low, bullhead 10Lb brine with biocide and POOH with tubing and packer. If the well head pressure is staying above 200 psi, set a blanking plug in the O/O tool jay off the packer and POOH with frac string. TIH with production tubing and jay back onto the packer and pull the blanking plug. 12. Swab well in and turn over to production.

Wellbore schematics attached

Cuadrito AZO Federal #1 Section 31-T20S-R23E Eddy County, New Mexico Page 3

Form 3160-5 continued:

10. MI RU frac valve and WSC to pump a fracturing treatment down the 3.5" tubing at 38-40 BPM while limiting the surface treating pressure to less than 8,600 psi.

Treating Schedule

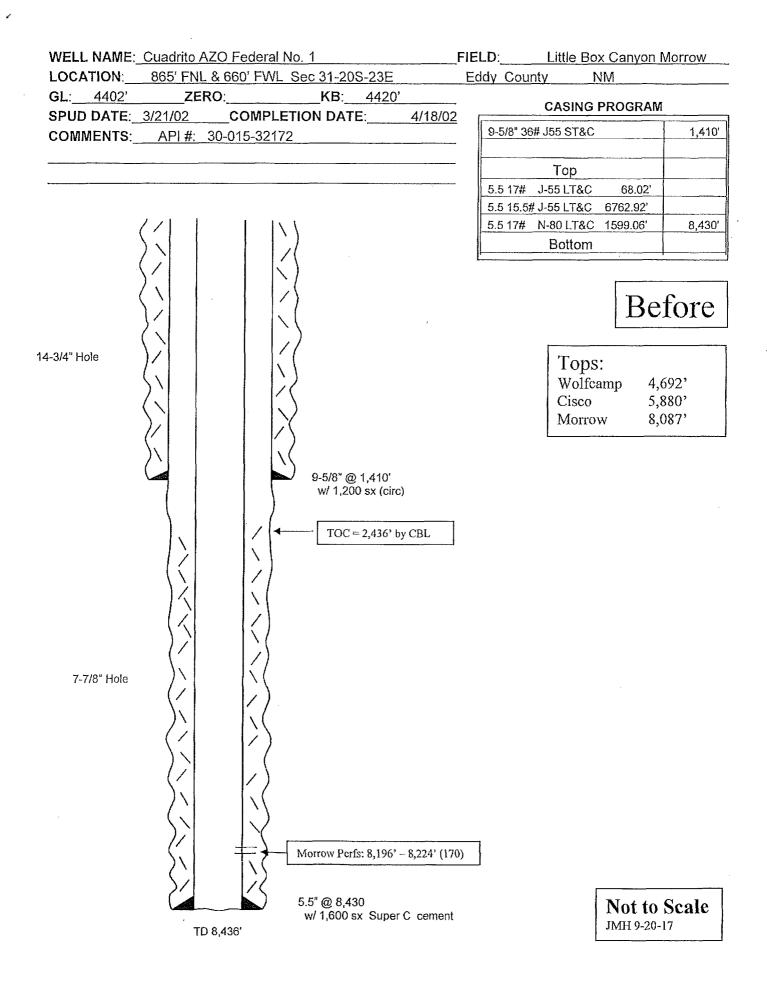
					1b Proppant		
Stage	Stage	gal	Fluid	Prop Conc			
Numbe:	r	_		lb/gal	Stage	Cumulative	Proppant
1	Injectio	n 1500.	Slickwater	0.00	0.	0.	
2	Acid	2000.	20% HCL	0.00	0.	0.	
3	Pad	2000.	Slickwater	0.00	0.	0.	
4	ISIP	0.	Slickwater	0.00	0.	0.	
5	Pad	14000.	Slickwater	0.00	0.	0.	
6	SLF	33000.	Slickwater	0.50	16500.	16500.	100 Mesh
7	SLF	25000.	Slickwater	1.00	25000.	41500.	100 Mesh
8	SLF	22000.	Slickwater	1.50	33000.	74500.	100 Mesh
9	SLF	17000.	Slickwater	2.00	34000.	108500.	100 Mesh
10	SLF	6600.	Slickwater	2.50	16500.	125000.	100 Mesh
11	Flush	1500.	Slickwater	0.00	0.	0.	

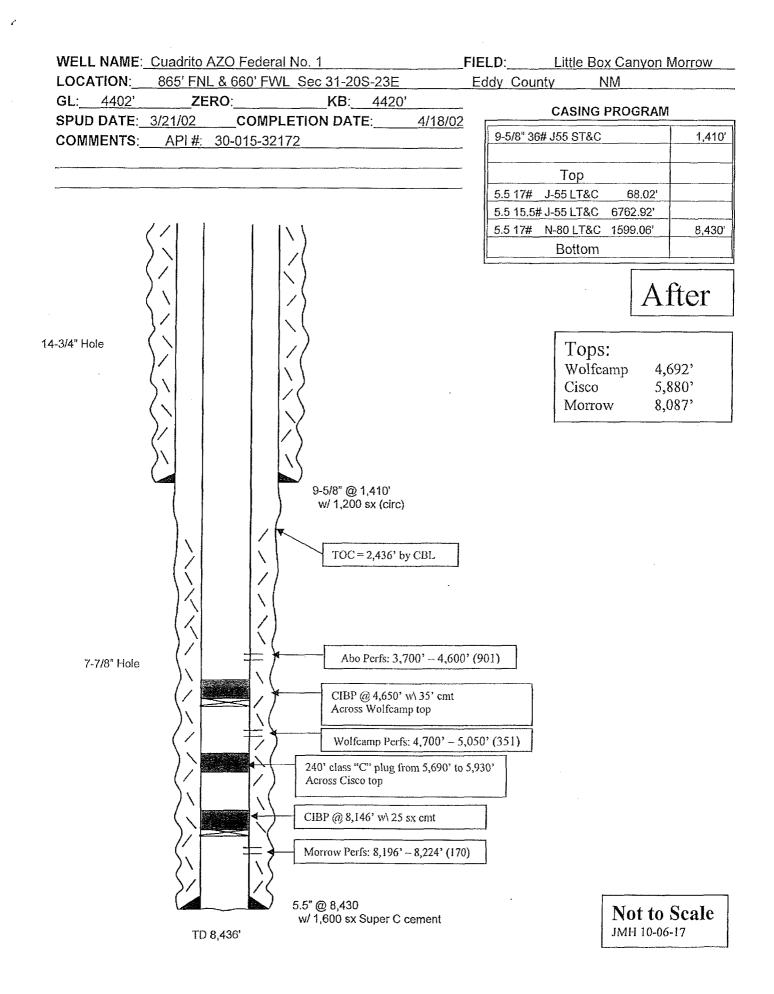
Estimated Surface Treating Pressure = 4,564 psig. Maximum Surface Treating Pressure = 8,600 psig.

Fluid Specifications: Fresh water with 0.8 Gal/M FR, biocide and scale inhibitor.

EOG will provide:

6 clean frac tanks with 480 bbls of fresh water for the treatment and flush.





Cuadrito AZO Federal 1 30-015-32172 EOG Y Resources, Inc. October 26, 2017 Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by January 26, 2018.

- 1. Operator shall set CIBP at 8,146 feet and place 25sx Class H Cement on top as proposed. WOC and tag. Must tag a minimum of 7,946'.
- 2. Operator shall place a balanced Class C Cement plug from 5,930'-5,690' as proposed.

If Wolcamp is not economic continue as follows:

- 3. Operator shall set CIBP at 50-100' above top most perf. A 150' plug is required to seal the top of the Wolfcamp formation. WOC and tag. Operator may add a 35' plug at this time and add more cement at a later date.
- 4. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.
- 5. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 6. Surface disturbance beyond the originally approved pad must have prior approval.
- 7. Closed loop system required.
- 8. 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.
- 9. Operator to have H2S monitoring equipment on location.

- 10. A minimum of a **3000** (**3M**) 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 (3M 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.
- 11. Subsequent sundry required detailing work done and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.
- 12. See attached for general requirements.

JAM 102617

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

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 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. <u>Notification:</u> 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. For wells in 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.**

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. <u>Subsequent Plug back Reporting:</u> 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.**

