

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.*FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 20185. Lease Serial No.
NMNM92748

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other Instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
SERRANO FEDERAL 22. Name of Operator
EOG Y RESOURCES, INC.Contact: TINA HUERTA
E-Mail: tina_huerta@eogresources.com9. API Well No.
30-015-294013a. Address
104 SOUTH FOURTH STREET
ARTESIA, NM 882103b. Phone No. (include area code)
Ph: 575-748-416810. Field and Pool or Exploratory Area
DAGGER DRAW, UP, NORTH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 11 T19S R25E NWSW 1980FSL 660FWL

*GC 12-17-18
Accepted for record - NMOCD*11. County or Parish, State
EDDY COUNTY, NM**12. CHECK THE 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 type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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 type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 recompletable 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 recompletable 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.

This well has valuable up hole recompletable potential. Requesting approval to Temporarily Abandon this well and recompletable up hole in 2019 or 2020. Only requesting *2 year* TA status. If well fails *1 year maximum* MIT, contingency plan is to plug and abandon this well immediately following failed MIT. Requesting that the included plugging procedure be reviewed and COAs provided so there is no delay in plugging this well in the event of a failed MIT.

EOG Y Resources, Inc. plans to temporarily abandon this well as follows:

1. MIRU any safety equipment as needed. POOH with all production equipment.
2. RIH with GR/JB to 7470 ft.
3. Set a CIBP at 7450 ft with 35 ft cement on top. WOC and tag. This will place a plug over open perforations.

*MIT within 45 days of approval.***SEE ATTACHED FOR
CONDITIONS OF APPROVAL****NM OIL CONSERVATION
ARTESIA DISTRICT**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #444024 verified by the BLM Well Information System For EOG Y RESOURCES, INC., sent to the Carlsbad		DEC 12 2018
Name (Printed/Typed) TINA HUERTA	Title REGULATORY SPECIALIST	RECEIVED
Signature (Electronic Submission)	Date 11/14/2018	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>SLET</i>	Date <i>11-29-18</i>
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 <i>CEO</i>

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)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #444024 that would not fit on the form

32. Additional remarks, continued

4. Tag TOC. Load hole with plugging mud.
5. Conduct MIT and chart for the BLM & NMOCD.
6. NU WH and shut well in.

If well fails MIT, contingency plan is to plug and abandon this well immediately following failed MIT as follows:

1. MIRU all safety equipment as needed. *Add Plug! Spot 35 sx cmf from 7065 - 6885 (T/up).*
2. Spot a 30 sx Class H cement plug from 6070 ft - 6230 ft. This will place a plug across Wolfcamp top.
3. Spot a 25 sx Class C cement plug from 3580 ft - 3730 ft. This will place a plug across Bone Spring top.
4. Spot a 25 sx Class C cement plug from 2320 ft - 2470 ft. This will place a plug across Glorieta top.
5. Perforate at 1200 ft. Attempt to establish circulation.
6. Spot a 72 sx Class C cement plug from 770 ft - 1200 ft. This will place a plug across 9-5/8 inch casing shoe and San Andres. *WOC Top*
7. Spot a 10 sx Class C cement plug from 60 ft up to surface.
8. Cut off wellhead and install dry hole marker. Clean location.

Wellbore schematics attached.

WELL NAME: Serrano Fed #2 FIELD: _____
 LOCATION: 1980' FSL & 660' FWL Sec. 11-19S-25E
 GL: 3,450' ZERO: _____ KB: _____
 COMMENTS: API No.: 30-015-29401

CASING PROGRAM

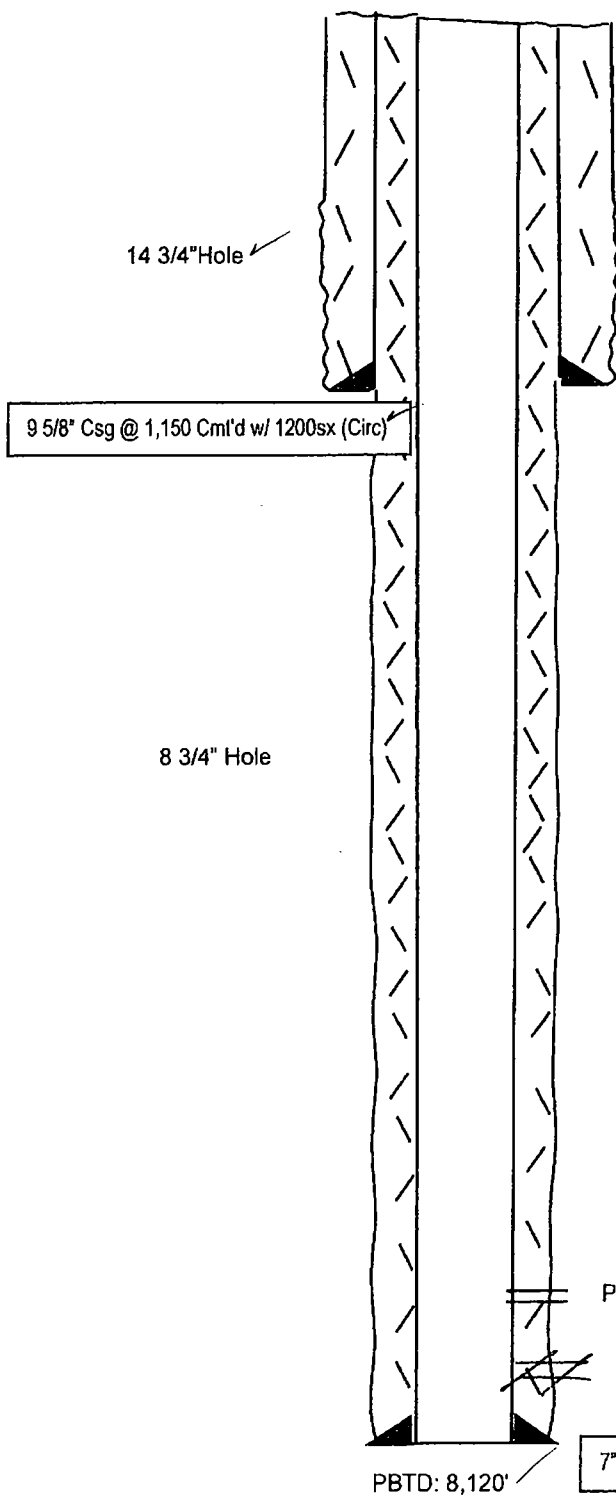
9 5/8" 36# J-55	1,150'
7" 26# & 23#	8,120'

Before

TOPS

San Andres	820'	/
Glorieta	2,420'	/
Bone Spring	3,680'	/
Wolfcamp	6,182'	/
Canyon	7,652'	/
	7580	

Cisco 7015
 Penn 7300



Perfs: 7,496' - 7,778'

Perfs: 7827-7836 502' (11-25-97)

PBTD: 8,120'

7" Csg @ 8,120' Cmt'd w/ 1025sx (Circ) /

Not to Scale
 11/2/18
 JE

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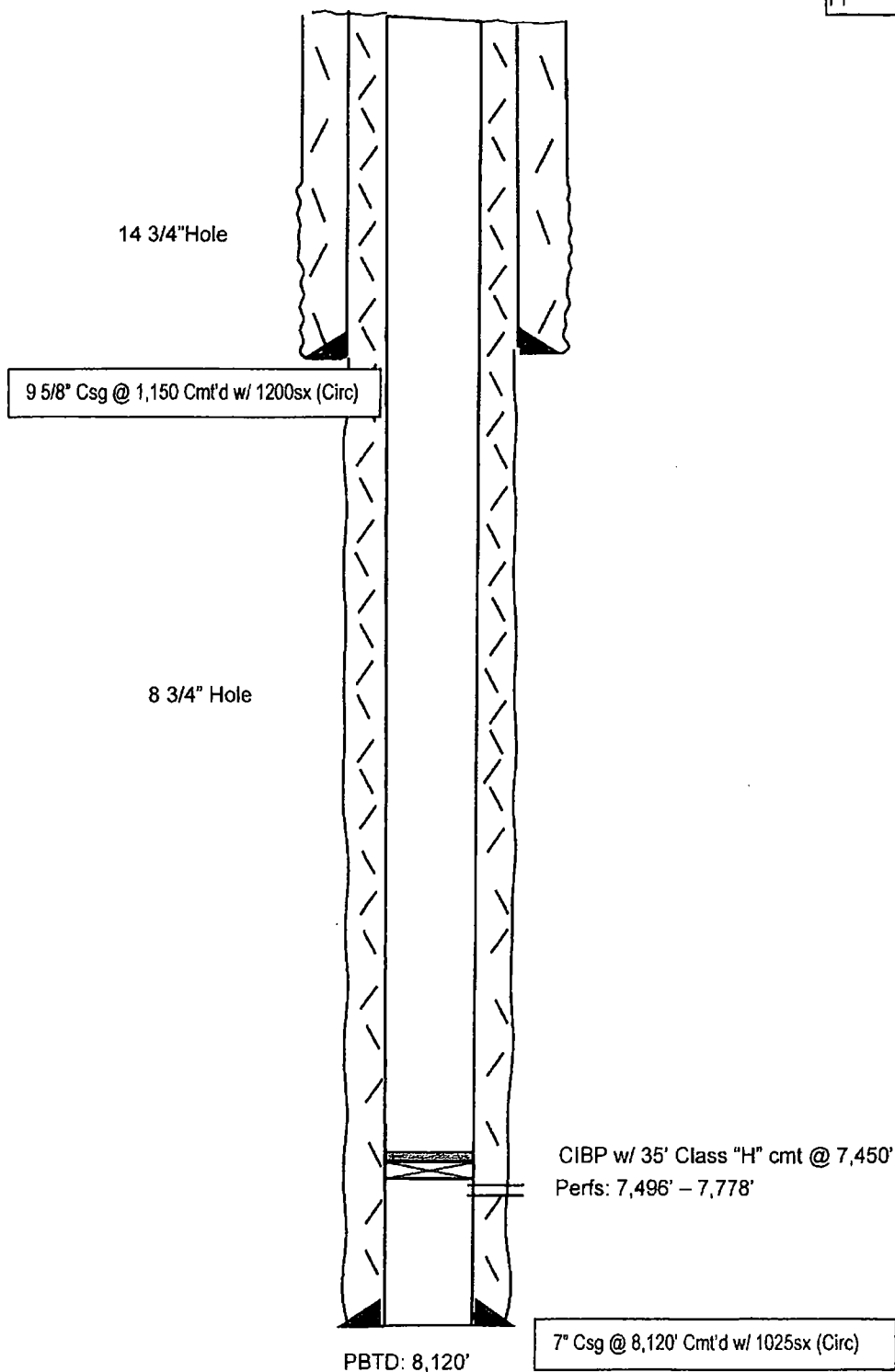
CASING PROGRAM

9 5/8" 36# J-55	1,150'
7" 26# & 23#	8,120'

TA After

TOPS

San Andres	820'
Glorieta	2,420'
Bone Spring	3,680'
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Canyon	7,652'



Not to Scale
11/2/18
JE

WELL NAME: Serrano Fed #2 FIELD: _____
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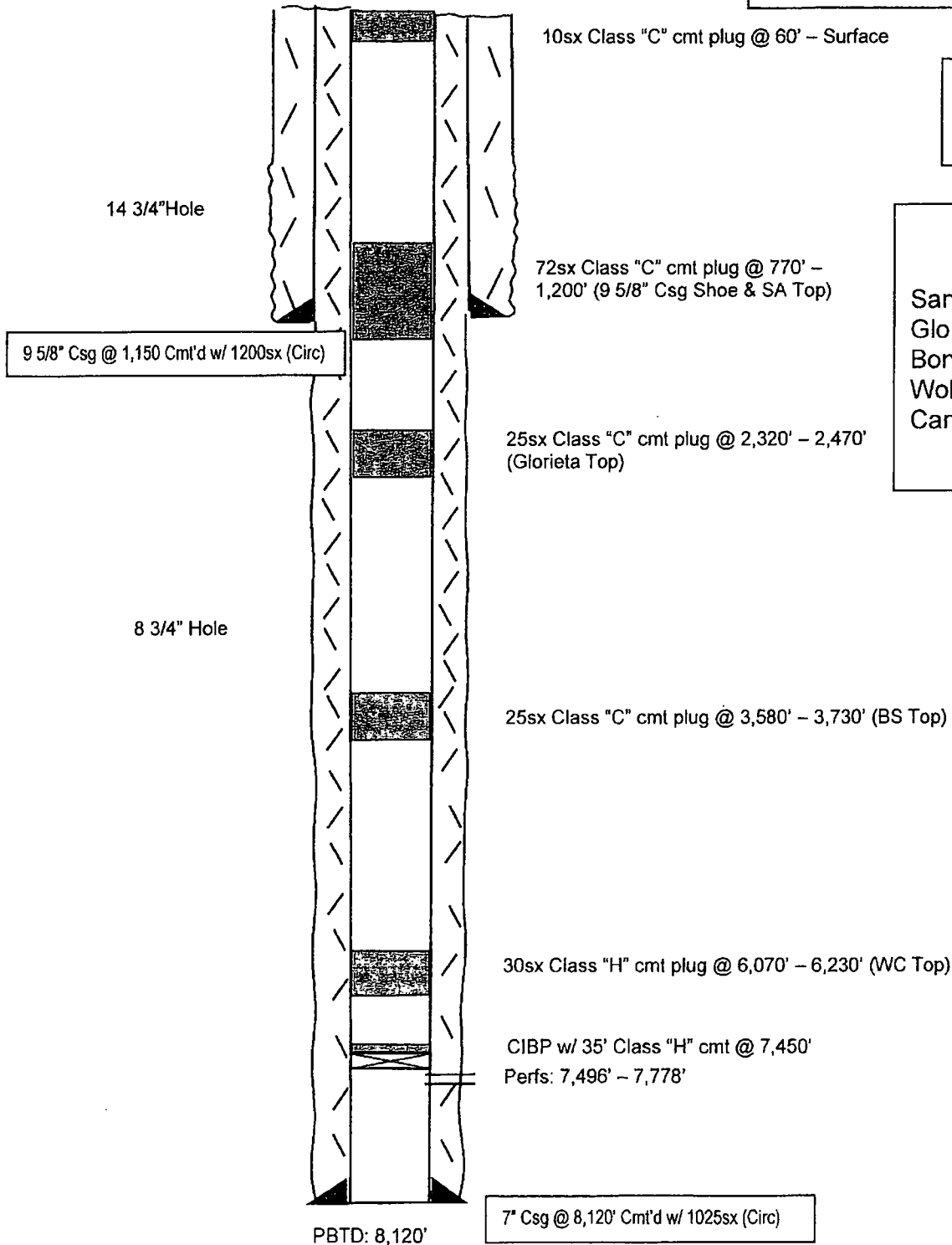
CASING PROGRAM

9 5/8" 36# J-55	1,150'
7" 26# & 23#	8,120'

P&A After

TOPS

San Andres	820'
Glorieta	2,420'
Bone Spring	3,680'
Wolfcamp	6,182'
Canyon	7,652'



Not to Scale
 11/2/18
 JE

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

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.**

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

NOI P&A Approved 11-29-18
J. [Signature]

**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**

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 **ninety (90)** 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. **Notification:** 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. **Blowout Preventers:** 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. **Mud Requirement:** 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. **Cement Requirement:** 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. Dry Hole Marker: 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.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: 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. Trash: 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.