

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*EOG Resources*  
*30-025-41067*  
*Endurance 25 Fed*

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]  
 [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]  
 [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify: AMEND SWD-1424: Contract approved injection interval
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply  
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☐ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO *cc amended order*  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Patrick Tower	See attached correspondence	Division Land Manager	07/19/2013
Print or Type Name	Signature	Title	Date
		pat_tower@eogresources.com	
		e-mail Address	



**EOG Resources, Inc.**  
5509 Champions Drive  
Midland, Texas 79706  
(432) 686-3600

July 19, 2013

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Richard Ezeanyim, Chief Engineer

Re: Administrative Order SWD-1424  
EOG's Endurance 25 Federal SWD Well No. 2  
Section 25, T26S, R33E  
API No. 30-025-41067  
Lea County, New Mexico

Gentlemen:

Pursuant to our discussion please accept this request to amend Administrative Order SWD-1424 to shorten the perforation interval from 5850 feet to 7200 feet for the disposal of oil field produced water. The original interval was proposed to be from 5200 feet to 7200 feet. Because this new interval lies totally within the original approved and advertised interval it is not required to re-advertise this amended application or provide any additional or supplemental notice. The ownership is identical under this amended application.

As a result of moving the top perforation down to 5850 feet, it is requested that the requirement to re-enter and re-plug and abandon the following plugged and abandoned wells be removed as a requirement for approval of this amended application:

- a) Del-Lea Federal Well No. 1 (API No. 30-025-23932), Sec. 25, T26S, R33E
- b) Elliott Federal 25 Well No. 1 (API No. 30-025-08425), Sec. 25, T26S, R33E

By lowering the top injection perforation to 5850 feet the injection interval will be below the deepest cemented interval in these two plugged and abandoned wells. This also adds several additional impermeable barriers between the disposal zone and any underground sources of fresh water (geologic cross section enclosed).

In support of this application please find a CD containing the following supplemental information to Division Form C-108, as requested:

- a) Cross Section across the injection interval (Section VIII);
- b) Mud log across the injection interval (Section VIII);
- c) Cement Bond Log for the Endurance 25 Federal No. 2; and
- d) Wellbore diagram for the Endurance 25 Federal SWD well No. 2 well depicting the depth of the planned perforations within the injection interval. (Section III).

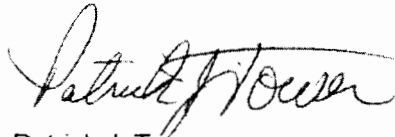
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July 19, 2013  
Page Two

Your consideration towards approval of this amended application is most appreciated. Should you have any questions, feel free to contact the undersigned.

Sincerely,

EOG RESOURCES, INC.

A handwritten signature in black ink, appearing to read "Patrick J. Tower". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Patrick J. Tower  
Division Land Manager

cc: Wes Ingram – BLM-Roswell

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



Administrative Order SWD-1424  
June 24, 2013

**ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION**

Pursuant to the provisions of 19.15.26.8B NMAC, EOG Resources, Inc. (**operator**), seeks an administrative order to utilize its proposed Endurance 25 Federal SWD Well No. 2 (**API No. 30-025-41067**) located 2310 feet from the North line and 990 feet from the West line, Unit letter E of Section 25, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico, for produced water disposal purposes.

**THE DIVISION DIRECTOR FINDS THAT:**

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

**IT IS THEREFORE ORDERED THAT:**

The applicant, EOG Resources, Inc., is hereby authorized to utilize its proposed Endurance 25 Federal SWD Well No. 2 (**API No. 30-025-41067**) located 2310 feet from the North line and 990 feet from the West line, Unit letter E of Section 25, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico, for disposal of oil field produced water into the Delaware formation through perforations from approximately 5,200 feet to 7,200 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

The operator shall conduct the following remedial work before commencing injection operations into this injection well:

**The operator shall run a Cement Bond Log (CBL) in the injection well to determine the exact top of cement (TOC) on the production casing. If the indicated cement top is deeper than 4,500 feet, the operator shall bring the cement top to 4,500 feet. The operator shall notify the Division's district I office of the date and time when this work is to be done so that it can be witnessed and approved before commencing injection operations into this well.**

**The operator shall plug back the injection well from 10,500 feet to 7,200 feet. This remedial work shall be witnessed and approved by the Division's District I Office before commencing injection operations into the injection well.**

**The operator shall re-enter and properly re-plug and abandon the following plugged and abandoned wells:**

- (a) Del-Lea Federal Well No. 1 (API No. 30-025-23932), Sec.25, T-26-S, R-33-E**
- (b) Elliot Federal 25 Well No. 1 (API No. 30-025-08425), Sec. 25, T-26-S, R-33-E**

**These wells were not properly plugged and abandoned in 1971, and 1959 respectively. The operator shall notify the Division's District I Office of the date and time of re-plugging these wells so that the work can be witnessed and approved before commencing injection operations into the injection well.**

**IT IS FURTHER ORDERED THAT:**

The operator shall take all steps necessary to ensure that the disposed water enters only the approved disposal interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wire-line verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to no more than **1040** psi. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district I office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district I office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district I office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

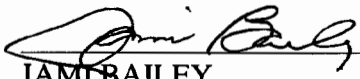
The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to inject will terminate **ipso facto**. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



JAMI BAILEY

Director

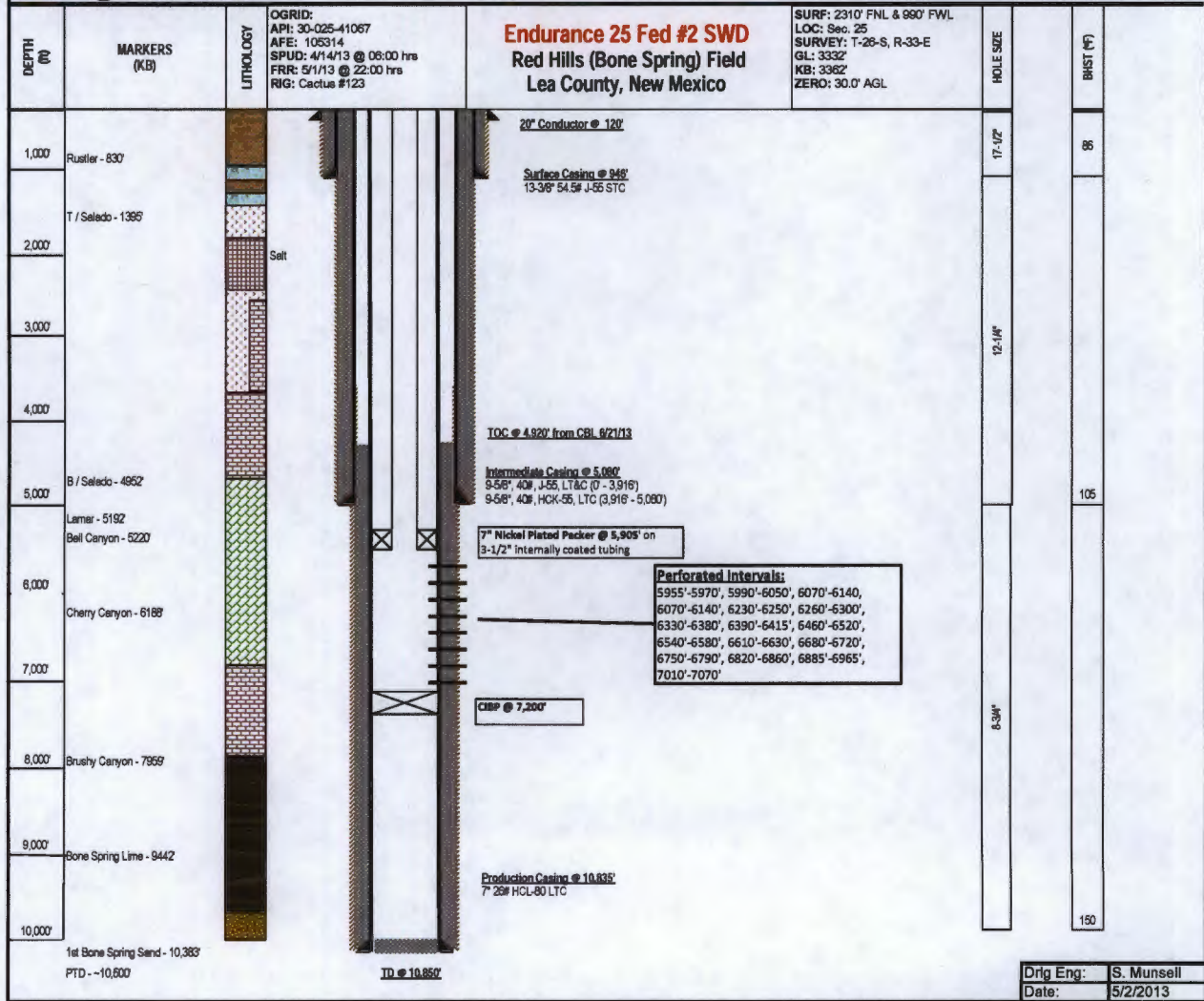
JB/re

cc: Oil Conservation Division – Hobbs District Office  
Bureau of Land Management BLM - Roswell



eo resources

## CURRENT WELL SKETCH





ENDURANCE 26 FED 2

ELLIOTT-FED 25 #1

ENDURANCE 26 FC 1H

DEL-LEA FED #1

ENDURANCE 36 SC 1



ENDURANCE 26 FED 2

ELLIOTT-FED 25 #1

ENDURANCE 26 FC 1H

DEL-LEA FED #1

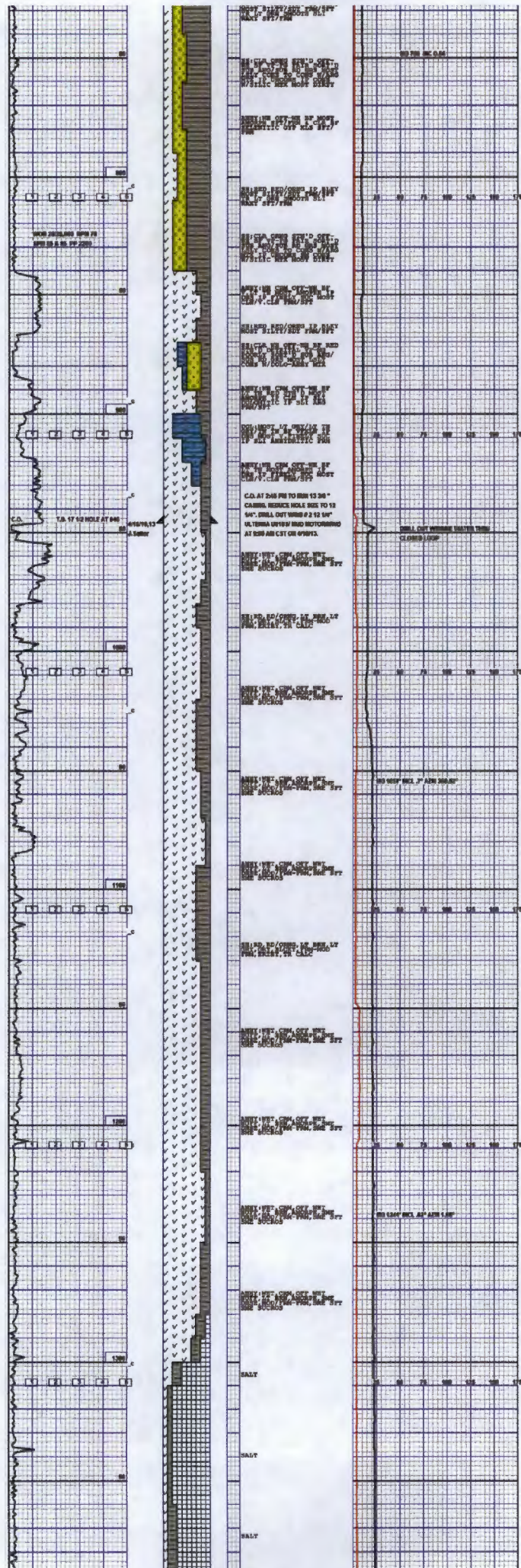
ENDURANCE 36 SC 1

Proposed Perforation Interval





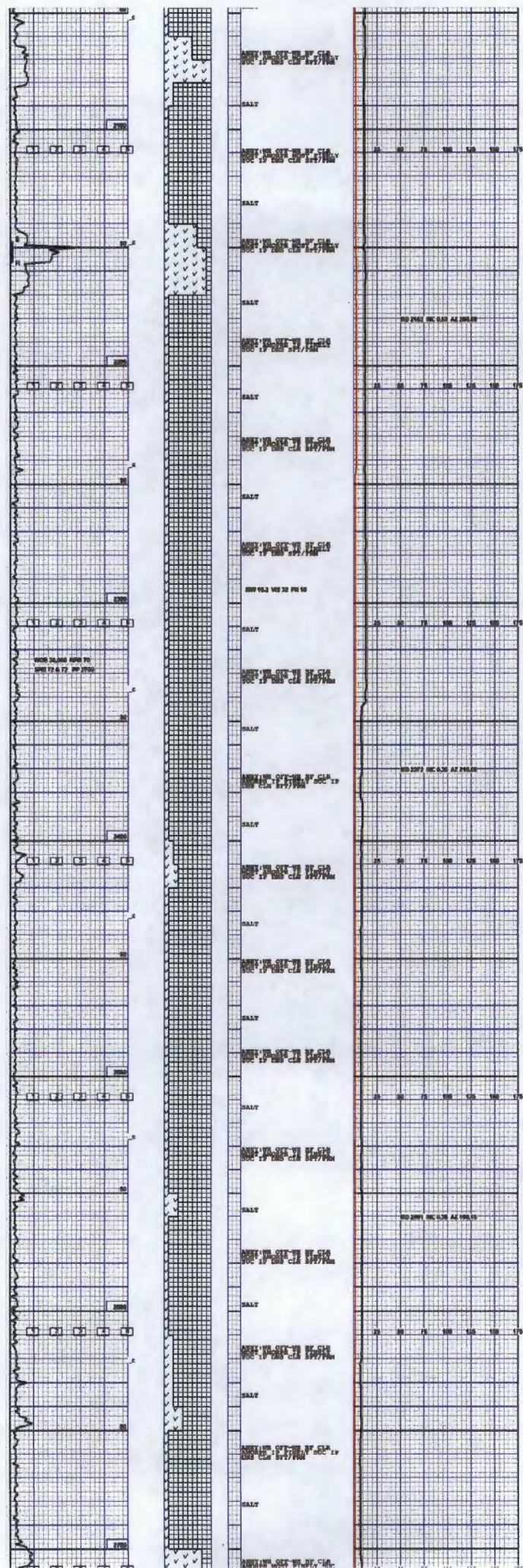




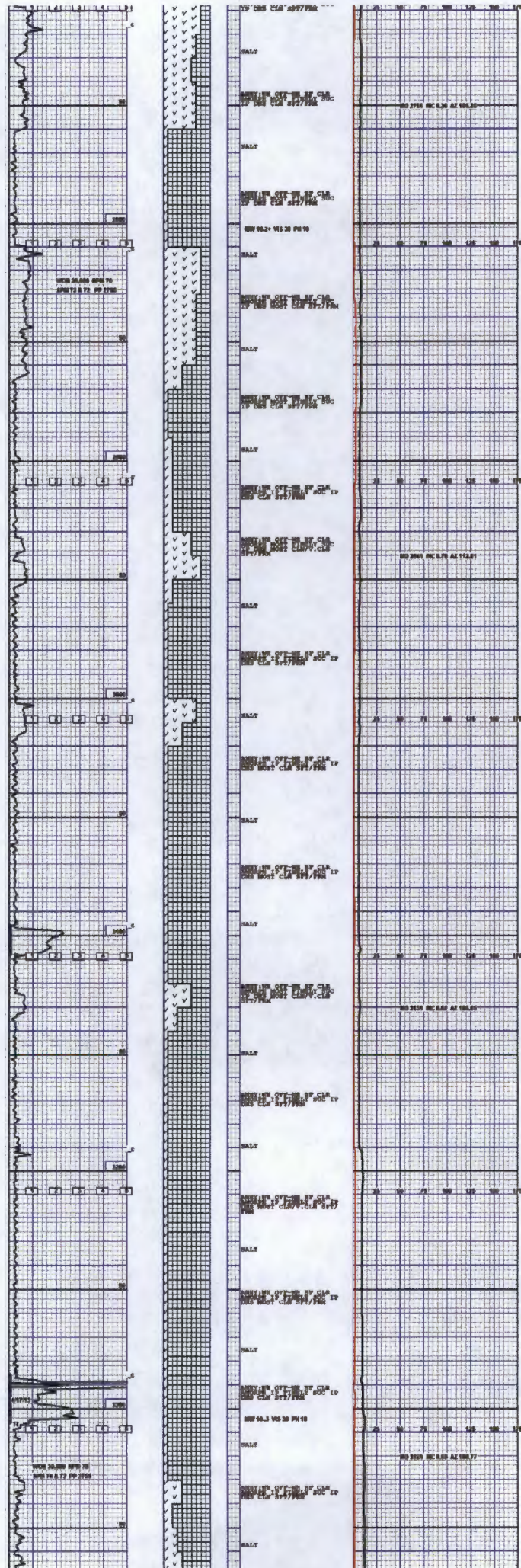




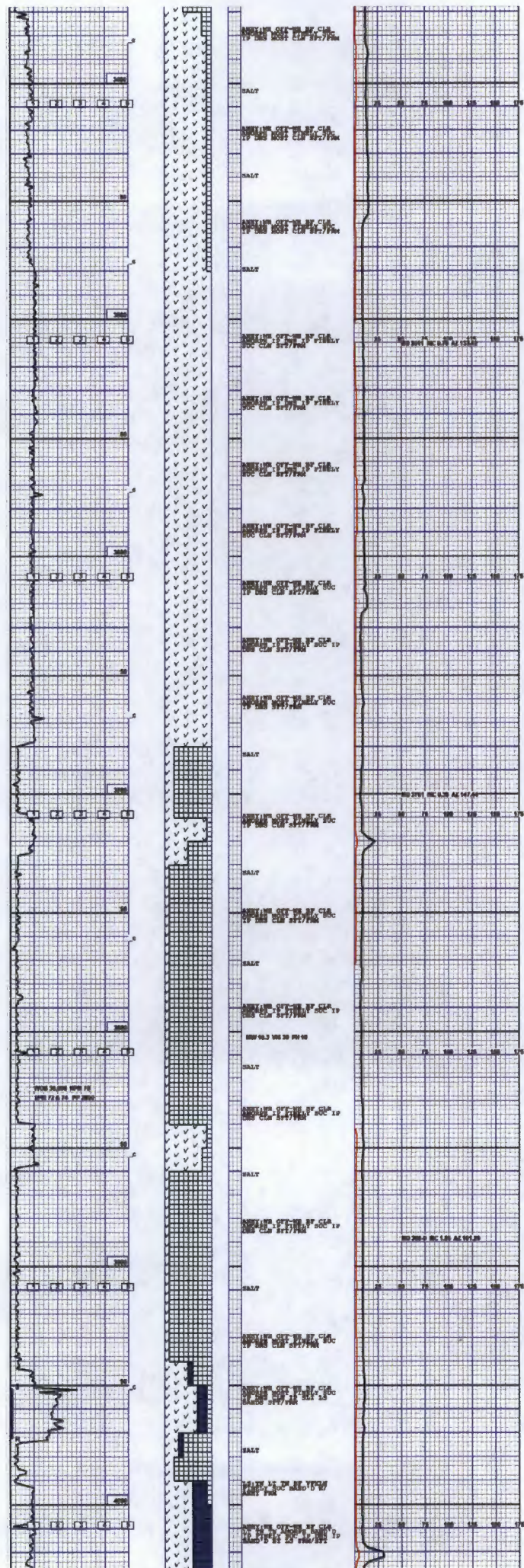




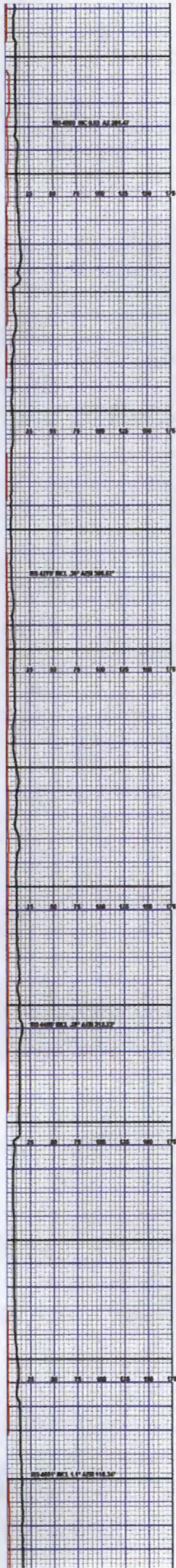
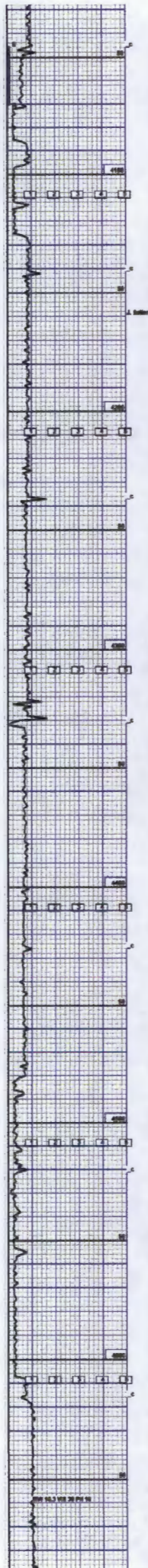




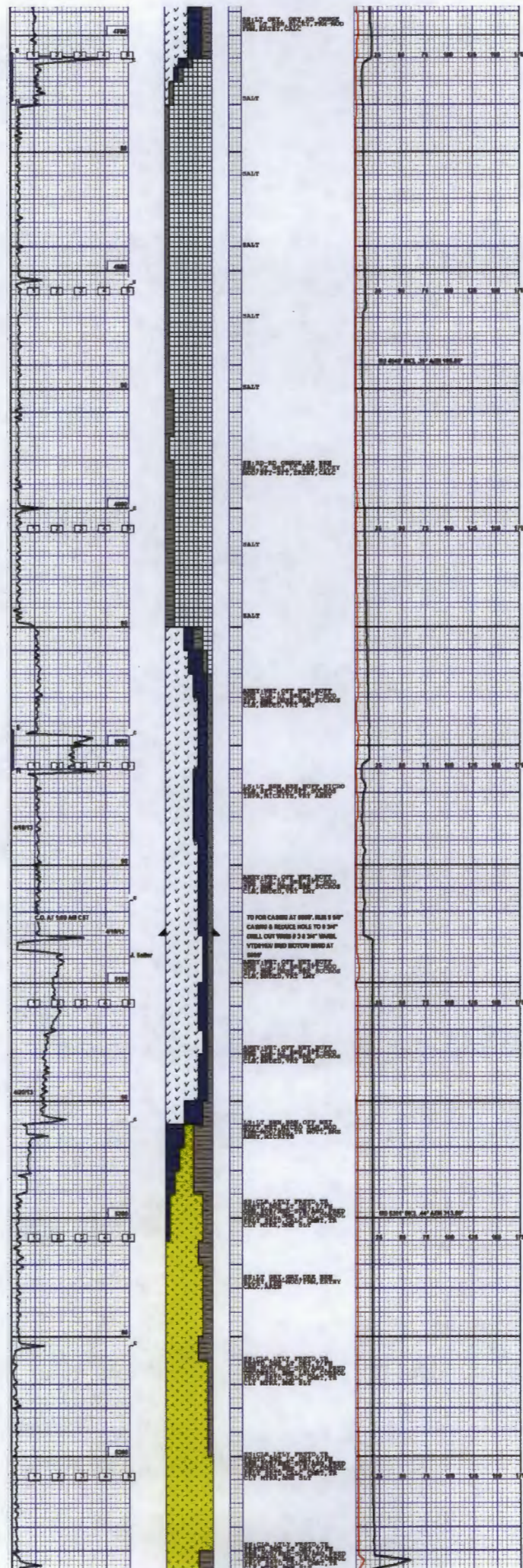








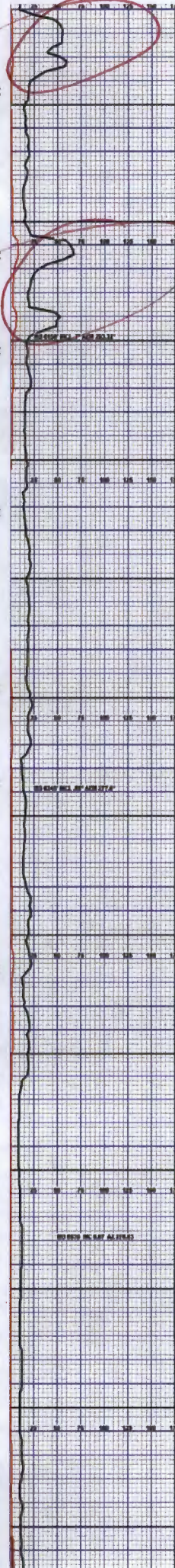
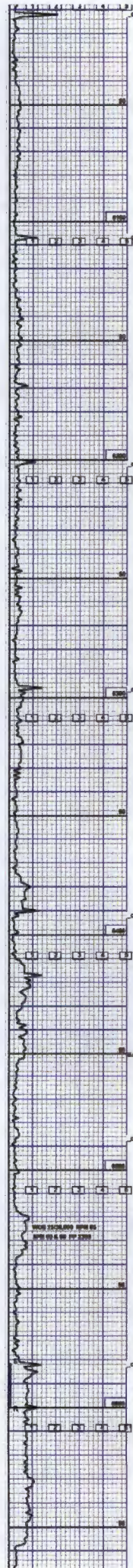












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