

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ARTESIA DISTRICTFORM 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.

SEP 18 2017

SUBMIT IN TRIPLICATE - Other instructions on page 2

| | | |
|--|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM27918 ✓ |
| 2. Name of Operator EOG Y RESOURCES INC Contact: KAY MADDOX E-Mail: Kay_Maddox@EOGRESOURCES.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address PO BOX 2267 MIDLAND, TX 79702 | 3b. Phone No. (include area code) Ph: 432-686-3658 | 7. If Unit or CA/Agreement, Name and/or No. NMNM94468 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T21S R26E NESE 1980FSL 660FEL ✓ | | 8. Well Name and No. SOUTH AVALON MA FEDERAL COM 001 ✓ |
| | | 9. API Well No. 30-015-23079 ✓ |
| | | 10. Field and Pool or Exploratory Area BURTON FLAT;MORROW(PRO GA |
| | | 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 checked="" type="checkbox"/> Other |
| | <input 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.

In response to BLM INC # 17YJ078W EOG Y Resources requests permission to workover this well by installing a plunger lift in order to increase production. We request permission to evaluate the well for 90 days and if the well does not produce in paying quantities, EOG will submit an intent P&A sundry and plug the well ASAP.

9-18-17
Accepted for record - NMOCD

SEE ATTACHED FOR

| | |
|---|--------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #375334 verified by the BLM Well Information System For EOG Y RESOURCES NC, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 05/10/2017 () | |
| Name (Printed/Typed) KAY MADDOX | Title REGULATORY ANALYST |
| Signature (Electronic Submission) | Date 05/08/2017 |

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---|---------------|
| Approved By _____ | Title TPET | Date 08/18/17 |
| 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 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE | |

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 **

Shut-In Status Accepted

EOG Y Resources Inc

S Avalon MA Com - 01, API 3001523079

T25S-R26E, Sec 01, 11650FNL & 1650FEL

08/18/2017 – SI status accepted for record until 02/25/2018 (the BLM designated renewal date). Production records indicate the well is commercially marginal. Comply with this attached Written Order. pswartz

On or before the BLM designated renewal date, submit a subsequent sundry describing accomplishment of “beneficial use” or a notice of intent for abandonment (temporary or permanent) for BLM approval.

- 1) **For continued production status submit a subsequent sundry listing:**
 - a. The production lift method.
 - b. A Lease Operating Statement (L.O.S.) for one or more producing months showing cash flow economics of revenue, taxes, royalties paid, operating and maintenance expense. Document the well’s hydrocarbon production volume is in paying quantities.
 - c. The results of a 24hr production test taken between 01/25/2018 and 02/25/2018.
 - d. Proven justification that the well is capable of current economic production.
- 2) Submit a subsequent sundry notification upon daily production resumption.
- 3) Federal Oil & Gas leases are held by well production or actively drilling for production during the end of the primary term of the lease. A Shut-In status will not hold the lease.
- 4) If you do not comply as noted, you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outline in 43 CFR 3163.1, and may also incur civil penalties (43CFR 3163.2). All self-certified corrections must be postmark no later than the next business day after the prescribed time frame for correction.
- 5) Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who “knowingly or willfully” prepares, maintains, or submits false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.
- 6) A person contesting a decision shall request a State Director review of the Written Order. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4).