UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

_		Expires: January 31, 2018
D	Artesia	5. Lease Serial No.

BUREAU OF LAND MANA	CEMENT AAR .	Expires: January 31, 2018
SUNDRY NOTICES AND REPO	RTS ON WELLS	5. Lease Serial No. NMLC055264
Do not use this form for proposals to abandoned well. Use form 3160-3 (AP		6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE - Other ins	ructions on page 2	7. If Unit or CA/Agreement, Name and/or No.
Gas Well Other	,	8. Well Name and No. GRAYBURG JACKSON S A UNIT 38
rator Contact: SOURCES, INC. E-Mail: tina_huert	TINA HUERTA a@eogresources.com	9. API Well No. 30-015-04130
H FOURTH STREET NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168	10. Field and Pool or Exploratory Area SQUARE LAKE;GB-SAN ANDRES
Vell (Footage, Sec., T., R., M., or Survey Description	· · · · · · · · · · · · · · · · · · ·	11. County or Parish, State

SUBMITIN	RIPLICATE - Other inst	tructions on p	page 2		7. If Unit or CA/Agree	ement, Name and/or No.
Type of Well	ner				8. Well Name and No. GRAYBURG JAC	KSON S A UNIT 38
Name of Operator EOG Y RESOURCES, INC.	Contact: E-Mail: tina_huerta	TINA HUERT			9. API Well No. 30-015-04130	
3a. Address 104 SOUTH FOURTH STREE ARTESIA, NM 88210	:T	3b. Phone No. Ph: 575-748	(include area code) 8-4168)	10. Field and Pool or SQUARE LAKE	Exploratory Area ;GB-SAN ANDRES
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)	•		11. County or Parish,	State
Sec 12 T17S R30E NENE 660	OFNL 660FEL				EDDY COUNT	Y, NM
12. CHECK THE AF	PROPRIATE BOX(ES)	TO INDICAT	ΓE NATURE O	F NOTICE,	REPORT, OR OTI	HER DATA
TYPE OF SUBMISSION			TYPE O	F ACTION		
☑ Notice of Intent	□ Acidize	☐ Deep	en	☐ Product	tion (Start/Resume)	■ Water Shut-Off
Notice of Intent	☐ Alter Casing	☐ Hydi	raulic Fracturing	□ Reclam	ation	■ Well Integrity
☐ Subsequent Report	□ Casing Repair	☐ New	Construction	☐ Recom	plete	☐ Other
☐ Final Abandonment Notice	☐ Change Plans	🗷 Plug	and Abandon	☐ Tempor	rarily Abandon	
	☐ Convert to Injection	Plug	Back	■ Water I	Disposal	
Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fine EOG Y Resources, Inc. plans 1. MIRU all safety equipment 2. RIH with GRJJB to 2840 ft. 3. Set a CIBP at 2820 ft with 3 over the open perforations. 4. Run Gyro Survey from CIBI 5. Tag TOC and load the hole 6. Perforate 5-? inch casis C ir 8. Perforate 5-? inch casing at 9. Squeeze a 310 sx Class C	operations. If the operation repandonment Notices must be final inspection. to plug and abandon this as needed. POOH with plug ft Class C cement. Property of the plugging mud. It is to be final inspection.	sults in a multiple led only after all results well as followed production equessure test cases Arguer 1220 ft.	e completion or recoverquirements, includents: sippment. sing. This will pl CC- -1320 ft. 1 Z	ace a plug	new interval, a Form 316 in, have been completed SEE ATTACHE CONDITIONS	60-4 must be filed once and the operator has
A 1	() 1	1		Cena	^	
14. I hereby certify that the foregoing is Name (Printed/Typed) TINA HUE	true and correct. Electronic Submission # For EOG Y F Committed to AFMSS for	437341 verifie RESOURCES,	d by the BLM We NC., sent to the DEBORAH MCK	Carlsbad	n System 0/27/2018 ()	THAPTESIA O.C.D.
Signature (Electronic S	Submission)		Date 09/27/2	2018		
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE U	SE	
Approved By Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conductive the applicant to c	iitable title to those rights in th		Title S	acls bo	PET of field	Date Date

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.

Additional data for EC transaction #437341 that would not fit on the form

32. Additional remarks, continued

10. Cut off wellhead. Install below ground level Dry Hole Marker. Clean location as per regulated.

Wellbore schematics attached

WELL NAME: Grayburg Jackson S A Unit #38 FIELD:

LOCATION: 660' FNL & 660' FEL Sec.12-17S-30E **GL**: 3,715' **ZERO**: **KB**:

COMMENTS: API No.: 30-015-04130

17 Hole 8 5/8" Csg @ 540' Cmt'd w/ 50sx 7" Csg @ 2,417' (Pulled) Perfs: 2,872' - 3,040' Perfs: 3,386' - 3,438' Drilled and pushed plugs/junk PBTD @ 3,460'

TD: 3,540'

CASING PROGRAM

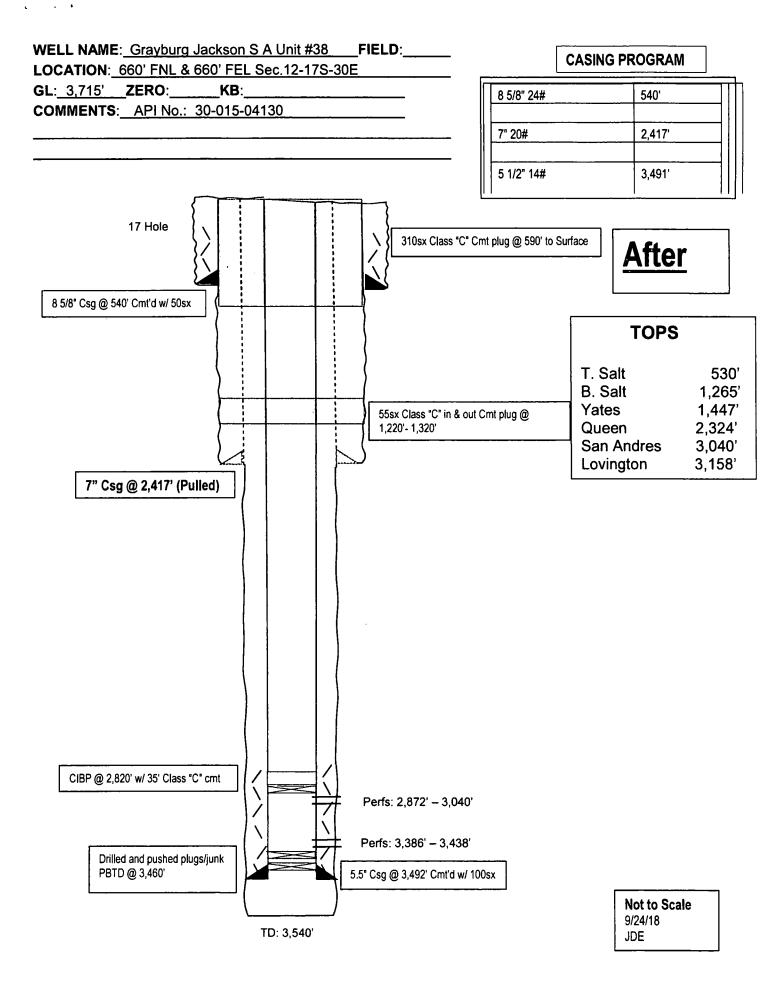
8 5/8" 24#	540'	
7" 20#	2,417'	<u> </u>
5 1/2" 14#	3,491'	

Before

TOPS

T. Salt 530' B. Salt 1,265 Yates 1,447 Queen 2,324' San Andres 3,040' Lovington 3,158'

Not to Scale 9/24/18 JDE



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 (LPC Habitat)

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 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. <u>Notification:</u> 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. <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. 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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): 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. Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

- 7. <u>Subsequent Plugging Reporting:</u> 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. <u>Show date well was plugged.</u>
- 8. <u>Trash:</u> 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.

<u>Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:</u>
From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted