

Form 3160-5  
(June 2015)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.  
NMNM42787

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
OCOTILLO ACI FEDERAL 29. API Well No.  
30-015-2718410. Field and Pool or Exploratory Area  
DAGGER DRAW;UP PENN,SOUTH11. County or Parish, State  
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
EOG Y RESOURCES, INC.Contact: TINA HUERTA  
E-Mail: tina\_huerta@eogresources.com3a. Address  
104 SOUTH FOURTH STREET  
ARTESIA, NM 882103b. Phone No. (include area code)  
Ph: 575-748-4168

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

Sec 10 T20S R24E SESE 660FSL 660FEL

**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 recomple 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 recomple 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 recomple potential. Requesting approval to Temporarily Abandon this well and recomple up hole in 2019. Only requesting 1 year TA status. If well fails 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 7590 ft.
3. Set a 7 inch CIBP at 7571 ft with 25 sx Class H cement on top. This will place a plug over open perforations and Canyon top.

SEE ATTACHED FOR  
CONDITIONS OF APPROVALNM OIL CONSERVATION  
ARTESIA DISTRICTGC 12-17-18  
Accepted for record - NMOCD

DEC 12 2018

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #444785 verified by the BLM Well Information System  
For EOG Y RESOURCES, INC., sent to the Carlsbad

Name (Printed/Typed) TINA HUERTA

Title REGULATORY SPECIALIST

RECEIVED

Signature (Electronic Submission)

Date 11/20/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |                   |                     |
|---|-------------------|---------------------|
| Approved By <u>James A. [Signature]</u>   | Title <u>SALE</u> | Date <u>12-4-18</u> |
| 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 <u>CFO</u>   |

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 #444785 that would not fit on the form**

**32. Additional remarks, continued**

4. Conduct MIT and chart for the BLM & NMOCD.
5. 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.
2. Spot a 55 sx Class C cement plug from 5257 ft - 5581 ft across stage tool and Wolfcamp top. WOC and tag, reset if necessary.
3. Spot a 35 sx Class C cement plug from 3004 ft - 3184 ft across Bone Spring top.
4. Spot a 35 sx Class C cement plug from 1868 ft - 2048 ft across Glorieta top.
5. Spot a 35 sx Class C cement plug from 990 ft - 1170 ft across casing shoe. WOC and tag, reset if necessary.
6. Spot a 35 sx Class C cement plug from 350 ft up to surface and this will form surface plug, reset if necessary.
7. Cut off wellhead and install dry hole marker. Clean location.

Wellbore schematics attached.

Please disregard previous NOI to P&A approved 6/16/16 and extension approved 2/15/17.

WELL NAME: Ocotillo ACI Fed # 2 FIELD: South Dagger Draw Upper Penn  
 LOCATION: 660' FSL & 660' FEL of Sec. 10-20S-24E Eddy Co., NM  
 GL: 3,648' ZERO: 18' KB: 3,666'  
 SPUD DATE: 03/30/93 COMPLETION DATE: 12/06/93  
 COMMENTS: API No.: 30-015-27184

#### CASING PROGRAM

|                         |        |
|-------------------------|--------|
| 9-5/8" 36 J-55 STC      | 1,120' |
| Surface                 |        |
| 7" 26# J-55 (1,118.08') |        |
| 7" 23# J-55 (3,772.40') |        |
| 7" 26# J-55 (2,488.52') |        |
| 7" 26# N-80 (19.58')    |        |
| 7" 26# J-55 (124.30')   |        |
| 7" 26# N-80 (528.82')   | 8045'  |
| Bottom hole             |        |

#### TA After

#### TOPS

|          |        |
|----------|--------|
| SA       | 450'   |
| Glorieta | 1,998' |
| BS       | 3,134' |
| WC       | 5,357' |
| Canyon   | 7,472' |

14-3/4"  
Hole

9-5/8" @ 1,120'  
w/ 600 sx cmt  
1"ed w/1,200 sx

8-3/4" Hole

DV @ 5531.38'

CIBP @ 7,571' W 25 sx

7,621' - 7,744' (44)

7" @ 8,045'  
1<sup>st</sup> Stage: 650 Sx (Circ)  
2<sup>nd</sup> Stage: 950 Sx (Circ)

FC: 8,003'  
TD: 8,045'

Not to Scale  
11/15/18  
JE

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**Before**

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### P&A After

#### TOPS

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14-3/4" Hole

9-5/8" @ 1,120'  
w/ 600 sx cml  
1"ed w/1,200 sx

35 sx plug from 0' to 350'  
Surface plug.

35 sx plug from 990' to 1,170'  
Across shoe.

35 sx plug from 1,868' to 2,048'  
Across GL top.

35 sx plug from 3,004' to 3,184'  
Across BS top.

DV @ 5531.38'

55 sx plug from 5,257' to 5,581'  
Across DV tool & WC top.

CIBP @ 7,571' W/ 25 sx

7,621' - 7,744' (44)

7" @ 8,045'  
1<sup>st</sup> Stage: 650 Sx (Circ)  
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8-3/4" Hole

Not to Scale  
11/15/18  
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.

**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 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> 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 10<sup>th</sup> 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.