

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources Inc.

3a. Address
P.O. Box 2267 Midland, Texas 79702

3b. Phone No. (include area code)
432 686 3689

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 1980' FEL, U/L O
Sec 20, T26S, R31E

5. Lease Serial No.

NM0437880

6. If Indian, Allottee or Tribe Name

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

Nm 71013 A

8. Well Name and No.
Phantom Draw Fed 3
Unit

9. API Well No.

30-015-31131

10. Field and Pool, or Exploratory Area
Ross Draw (Wolfcamp)

11. County or Parish, State

Eddy

NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☒ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recompleate 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

EOG Resources intends to recompleate the subject well to 1st Bone Spring Sand as per the attached procedure.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Stan Wagner

Title

Regulatory Analyst

Signature

Date 3/9/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

APPROVED

APR 10 2007

FREDERICK WRIGHT
PETROLEUM ENGINEER

Procedure:

- 1) Rig up BJ Services to the 7" x 9-5/8" annulus. Establish an injection rate. Pump down the annulus as follows:
 - 10 bbls fresh water
 - 10 bbls CaCl₂ water
 - 5 bbls fresh water
 - 12 bbls Flow Guard
 - 5 bbls fresh water
 - 10 bbls CaCl₂
 - 20 bbls fresh water
 - 400 sacks Class "C" cement + .01 lbs/sack Static Free + 2% (bwoc) CaCl₂ + 5 lbs/sack LCM-1 + 4% (bwoc) Bentonite + .005 gals FP13L mixed at 13.5 ppg, 1.75 cuft/sack Yield, 8.67 gals mix water per sack. (Estimated pumping time = 2 hours 30 minutes. Compressive strengths @ 120 degrees: 8 hours = 400 psi, 12 hours = 800 psi, 24 hours = 1000 psi).Displace the cement with 90 bbls fresh water to put the cement top at 3191' or 671' above the 9-5/8" casing shoe at 3862'.
- 2) Shut well in and wait on cement a minimum of 12 hours.
- 3) Pressure test the 7" x 9-5/8" annulus with 2500 psi. Pressure test the 7" casing with 8000 psi.
- 4) Move in and rig up pulling unit.
- 5) Nipple down the 7-1/16" 10,000 psi rated capping flange and nipple up a 7-1/16" 10,000 psi rated hydraulic double Bop.
- 6) Make up a 6-1/8" bit on a 4-3/4" motor. Pick up 16 4-3/4" drill collars and 3-1/2" 15.5 ppf S135 IF drill pipe. Trip in hole and tag cement at +/- 2591'. Circulate the hole with 10.0 ppg brine water.
- 7) Lay down 1 joint. Install a tubing hanger with back pressure valve installed and land tubing hanger in tubing head. Secure hanger with tie down pins.
- 8) Nipple up a 7-1/16" 10,000 psi rated drilling cross with (2) 4-1/16" 10000 psi flanged outlets and 4-1/16" 10000 psi valves installed, and a 7-1/16" 10,000 psi rated single Bop.
- 9) Rig down pulling unit.
- 10) Rig up HES Stand Alone 10,000 psi rated snubbing unit. Also rig up choke manifold with dual Power chokes.

- 11) Test the Bops, choke manifold, Power chokes, and all lines, breaks, and connections that could be exposed to well pressure to 10,000 psi.
- 12) Pull the tubing hanger. Pressure up the 7" x 9-5/8" annulus to 2000 psi and hold 2000 psi throughout the drillout.
- 13) Drill the cement from 2591' to the CIBP at 2611'. Circulate the hole clean.
- 14) Drill the CIBP at 2611' taking returns through the choke while maintaining 6500 psi backpressure with 10.0 ppg brine. After drilling the bridge plug continue circulating 10.0 ppg brine and monitor the pressure bleed off until the well can be circulated with no backpressure being held.

Note: If the pressure on the wellbore does not dissipate it may be necessary to snub in the hole to get the well pressures under control. That decision could be made at this time.

Have (2) 3-1/2" IF Full opening TIW Valves and (1) 3-1/2" IF Inside Bop available if needed.

- 15) Trip in the hole to +/- 3000'. Install a tubing hanger with backpressure valve installed, pup joint and a full opening 3-1/2" TIW valve. Land the tubing hanger in the tubing head. Secure the tubing hanger with the tie down pins.
- 16) Rig down the HES snubbing unit. Nipple down the Power chokes, the 7-1/16" 10,000 psi single Bop, and the 7-1/16" drilling cross.
- 17) Rig up the pulling unit.
- 18) Pull out the hole laying down the 3-1/2" drill pipe workstring, the 4-3/4" drill collars, and the 4-3/4" motor. . (Keep the hole full with 10.0 ppg brine and fill the hole every 15 stands. Should take approximately 5.0 barrels to fill the hole every 15 stands of drill pipe. Document the fill-ups for reference).
- 19) Make up the 6-1/8" bit, and a 7" 26 ppf casing scraper on EOG 2-7/8" 6.5 ppf L80 EUE tubing. Trip in the hole to 12380'. (Have (2) 2-7/8" EUE Full Opening TIW Valves and a 2-7/8" EUE Inside Bop ready if necessary while tripping in hole).
- 20) Circulate the hole clean with 10.0 ppg brine water. Check well for flow.

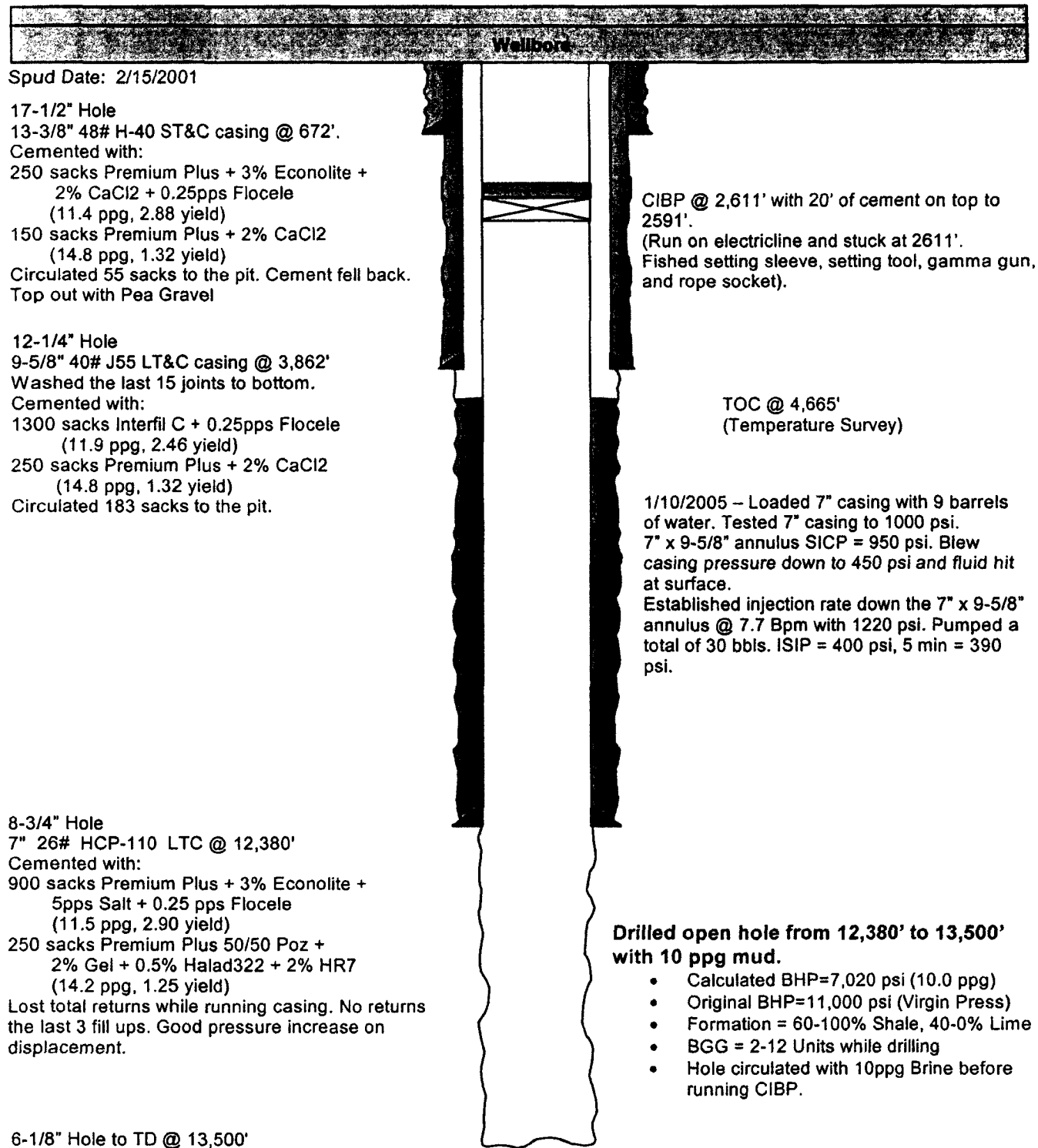
- 21) Pull out of the hole standing the 2-7/8" tubing back in the derrick. (Keep the hole full with 10.0 ppg brine and fill the hole every 15 stands. Should take approximately 2.0 barrels to fill the hole every 15 stands of tubing. Document the fill-ups for reference).
- 22) Rig up an electricline unit. Run a 7" 26 ppf CIBP and set the bridge plug at +/- 12350'. Dump bail 50' of cement on the bridge plug to +/- 12300'. Test the cement and bridge plug to 2000 psi.
- 23) Trip in the hole with the 2-7/8" tubing out of the derrick. Lay down the 2-7/8" tubing to +/- 9050'.
- 24) Displace the hole with inhibited (1 gpt Anhib II) 2% KCL water. Spot 10 barrels acetic acid from +/- 9050' to +/- 8790' for perforating.
- 25) Pull out of the hole standing back the remainder of the 2-7/8" tubing.
- 26) Perforate the 1st Bone Spring Sand with 3-3/8" casing guns, 4 spf from 8946' to 8974'.
- 27) Run a 7" 26 ppf packer on the 2-7/8" production tubing to +/- 8900'. Reverse 5 barrels water to get the acetic acid out of the annulus into the tubing. Set the packer at +/- 8900'. Space out and land the tubing hanger with 10,000 to 15,000 pounds of tubing compression on the packer.
- 28) Nipple down the 7-1/16" 10000 psi Bops. Nipple up a 2-9/16" 10000 psi tree.
- 29) Rig down and move out the pulling unit.
- 30) Acidize the 1st Bone Spring perforations with 1500 gallons of 15% HCL.
- 31) Swab well in.

EOG RESOURCES, INC.
1,980' FSL & 1980' FEL
SEC. 20-T26S-R31E

PHANTOM DRAW FEDERAL UNIT. NO. 3
EDDY CO., NEW MEXICO
AUGUST 7, 2006

WELLBORE SCHEMATIC

20" Conductor set @ 40'

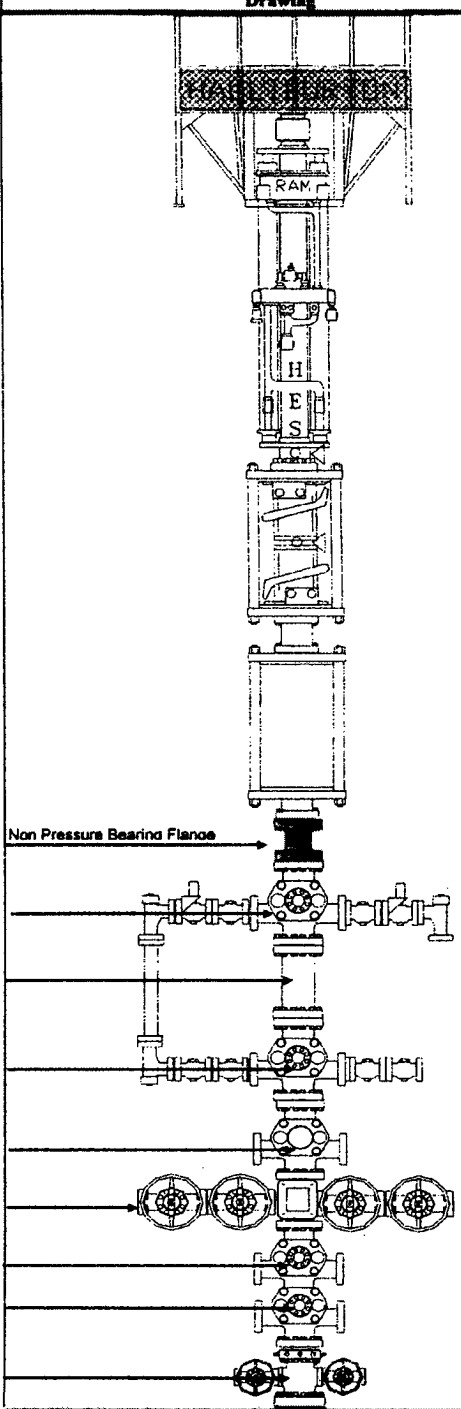



SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to recomplete this well to perfs @ 8946-8974' with the following modifications:
2. Use of the 10M BOP and choke manifold system submitted in Charlie Aupied's 4/3/07 e-mail to Fred Wright; with the added, required modifications to that Choke Manifold diagram[attached], to bring it into compliance with Onshore Order # 2.III.A.b.ii through the referenced diagram shown in Attachment I-3 of that order.
3. The work over pit if necessary, will be located in the same area as the original drilling pit.
4. The **maximum pressure for CIT** of the 7", casing proposed in item 3 of the proposed procedure, per Onshore Order # 2.III.B.1.h, is 6965 psi; which is 70% of the yield of that casing.
5. A 55 sack cement plug will be set at least 50 feet below and 50 feet above the 7" casing shoe which is located @ 12,380 feet. This plug will be tagged.
6. Class H cements will be used for any plugs below 8000 feet.
7. A 50 sack cement plug will be added @ approximately 10470 feet to cover the top of the Wolfcamp.
8. Drilling mud must be left between plugs.
9. Run a CIT on this plug before completing in the Bone Spring.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 4/10/07

Item	Equipment Description	I.D.	Weight	Length	Drawing
1	Halliburton 200K HWO Unit			35.00	
2	7 1/16" 10M x 7 1/16" 5M Adp. Spool	7.060		1.00	
3	7 1/16" 10M Cameron Type U - 3 1/2" Stripper	7.060		2.70	
4	7 1/16" 10M Stripper Spacer Spool			3.00	
5	7 1/16" 10M Cameron Type U - 3 1/2" Stripper	7.060		2.70	
6	7 1/16" 10M Cameron Type U - 3 1/2" Pipe	7.060		2.70	
7	7 1/16" 10M Drilling Spool	7.060		1.50	
8	7 1/16" 10M Cameron Type U - Blind Rams	7.060		4.20	
	7 1/16" 10M Cameron Type U - 3 1/2" Pipe	7.060			
9	Tubing/Casing Spool "B" Section				
Note: Items #6 thru #9 on well prior to HWO/Snubbing Unit R/U		Minimum I.D.	7.060		
		Total Weight			
		Total Length	52.80		
Please note that all O.D.'s and I.D.'s are approximate, and are given as a guideline only					BHA Prepared by John Keys
					Date 2-Apr-07

