Form 3 60-5 (August 200885 OCD)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



FORM APPROVED OMB NO 1004-0137 Expires July 31, 2010

5 Lease Serial No

SUNDRY NOTICES AND REPORTS ON WELLS OCD-HOBBS

Do not use this form for proposals to drill or to re-enter an additioned well. Use Form 3160-3 (APD) for such proposals.

NM 61605 6 If Indian, Allottee or Tribe Name

180						
SUBMIT IN TRIPLICA	7. If Unit or CA/Agreement, Name and/or No NMM91067X					
1 Type of Well Oil Well Gas Well Ma 2. Name of Operator ECG Resources Inc. 3a Address P.O. Box 2267 Midland, Texas 79702 4 Location of Well (Footage, Sec., T., R., M., or Survey, 779' FNL & 1943' FWL, U/L C, Sec 21, T18S, R33E	8 Well Name and No East Corbin 6 Delaware Unit 9. API Well No 30-025-30736 10. Field and Pool, or Exploratory Area West Corbin Delaware 11 County or Parish, State Lea NM					
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA						
TYPE OF SUBMISSION TYPE OF ACTION						
X Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production Reclamation Recomplet Temporaril Water Disp	e X Other		
I3. Describe Proposed or Completed Operation (clearl If the proposal is to deepen directionally or recomp Attach the Bond under which the work will be perfollowing completion of the involved operations. It testing has been completed. Final Abandonment I determined that the final site is ready for final inspired.	plete horizontally, give s formed or provide the I If the operation results in Notices shall be filed on	ubsurface locations and mea Bond No on file with BLM/ n a multiple completion or re	sured and true ver BIA. Required su ecompletion in a n	tical depths of all pertinent markers and zones absequent reports shall be filed within 30 days new interval a Form 3160-4 shall be filed once		

Pull well, search for problem, make repairs. Re-run MIT

SEE ATTACHED FOR CONDITIONS OF APPROVAL

Condition of Approval: Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart.

ACCEPTED FOR RECORD

AUG 2 2011
/s/ JD Whitlock Jr

BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Renee' Jarratt	Tıtle	Regulatory Analyst							
Signature Carrett	Date	7/19/2011							
THIS SPACE FOR FEDERAL OR STATE OFFICE USE									
Approved by	Ti	tle	Date						
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 the applicant the applicant to conduct operations the record.	hat Of	fice							
Title 18 H.S.C. Section 1001, and Title 43 H.S.C. Section 1212, makes it a crime for any person le	knowingly	and wallfully to make to any department or a	on an of the Hantad States						

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

East Corbin Delaware Unit #6 API# 30-025-30736 SPUD TD eog resources Section 21, T18S, R33E DRILLING 12/1/1989 energy opportunity growth 779' FNL & 1943' FWL LAST REVISED 7/13/2011 NRI 82.500% WI 100 00% Lea County, NM KB 11.5' ĞL AFE # 104374 WIW 8-5/8" K55 24# 362' TOC at Surface. TOC UNKNOWN, 1,150sx TBG: 160 JTS 2-3/8" J55 4.7# EUE, MODEL FL ON/OFF TOOL W 1.5" PROFILE 4"x1.5" BAKER MODEL AS LOK SET 41A2, 2-3/8" WL RE-ENTRY GUIDE PKR SET @ 5.001' EOT @ 5.006' 4" ULTRA FJ 10.7# 5,099' TOC at Surface. HES 5-1/2" 10K CIBP @ 5,110' (Milled out) DELAWARE PERFS 5,156'-5,166', 5,190'-5,206' 5,203'-5,246' CIBP @ 5,500' **Tubular Dimensions** Burst Collapse ID Drift bbl/ft PBTD 5,454' 8-5/8" K55 24# · 2950 8.097 1780 7.972 5-1/2" 15.5# 5,500 5-1/2" K-55 15.5# 4810 4040 4.950 4.825 4" FJ ULTRA 10.7#

Conditions of Approval: Wells with Packers*

EOG Resources Inc.East Corbin Delaware Unit - 6

July 25, 2011

- 1. Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
 - a. The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
 - b. Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
 - c. Notify Paul R. Swartz at 575-234-5985 and/or 575-200-7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575-361-2822.
 - d. Submit a subsequent Sundry Form 3160-5 relating the MIT activity. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
 - e. Use of tubing internal protection, on/off tubing equipment just above the packer, and a profile nipple installation is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore work.
 - f. Submit the original subsequent sundry with three copies to BLM Carlsbad.
- 2. Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
 - a. Approved injection pressure compliance is required.
 - b. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
 - c. When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
 - i. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
 - e. Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.

- 3. The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.
 - a. The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
 - b. **Submit a subsequent report (Sundry Form 3160-5)** describing the installation of packer fluid level monitoring equipment within 30 days of this approval.
 - The operator shall keep monthly records documenting that the casing annulus is fluid filled.
 A suggested format for these records is available from the BLM Carlsbad Field Office.
 Copies of those records shall be furnished at the request of a BLM authorized officer.
 - d. Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
 - e. Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM's authorized officer (Paul R. Swartz at 575-200-7902). If there is no response, notify the BLM on call drilling phone, 575-361-2822.
 - f. Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for approval by BLM and NMOCD with a detailed plan for correction and the anticipated date of correction. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days.
 - g. After the repairs submit a (Sundry Form 3160-5) Subsequent report, describing the repair(s) and Mechanical Integrity Test as per item 1 above.

*COA's prepared by Paul R Swartz