Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs
HOBBS OCD
SEP 06 2012

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

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 page 2

RECEIVED

5. Lease Serial No.
NM18640

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.
Red Hills North Unit 811

2. Name of Operator
EOG Resources Inc.

9 API Well No.
30-025-32980

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

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

10. Field and Pool, or Exploratory Area
Red Hills; Bone Spring

4. Location of Well *(Footage, Sec , T., R., M., or Survey Description)*
S/L 662' FSL & 509' FWL, Sec 8, T25S, R34E
BHL 121 FNL & 2400 FEL, Sec 18, T25S, R34E

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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other repair leak
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomplete 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 recompletion 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)

See attached "order"

2/01/12 MIRU to repair leak.
2/03/12 RIH and work stuck tubing. Tubing free to 11148'. POOH with free point indicator. Prep to POOH with 2-7/8" IPC tubing.
2/04/12 POOH and lay down tubing. Prep to RIH with 2-7/8" workstring.
2/08/12 Circulate out fill to top of packer at 11048'.
2/11/12 Attempt to sheer packer at 11048'. Unable to release packer.
2/14/12 Trip in hole with overshot.
2/16/12 POOH with Baker HS Packer at 11048'. Trip in hole to 11120'. Jar on lower packer.
2/17/12 Make up jar assembly. RIH to 11120'. Jar on packer. Jar free. POOH.
2/23/12 Suspend operations.
4/12/12 Prep to RIH with tubing and packer assembly.
4/14/12 RIH to liner top packer at 11326'. Start cleaning scale out of wellbore.
4/22/12 RIH with 2-7/8" IPC injection tubing and packer assembly to 11324'.
4/23/12 Set Baker nickel plated packer at 10886'. Circulate packer fluid.
4/26/12 Perform MIT test to 545 psi. Test good. Return to injection.

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)* Stan Wagner
Title Regulatory Analyst
Signature Stan Wagner
Date 5/10/12

ACCEPTED FOR RECORD
SEP 4 2012
WESLEY W. INGRAM
PETROLEUM ENGINEER

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

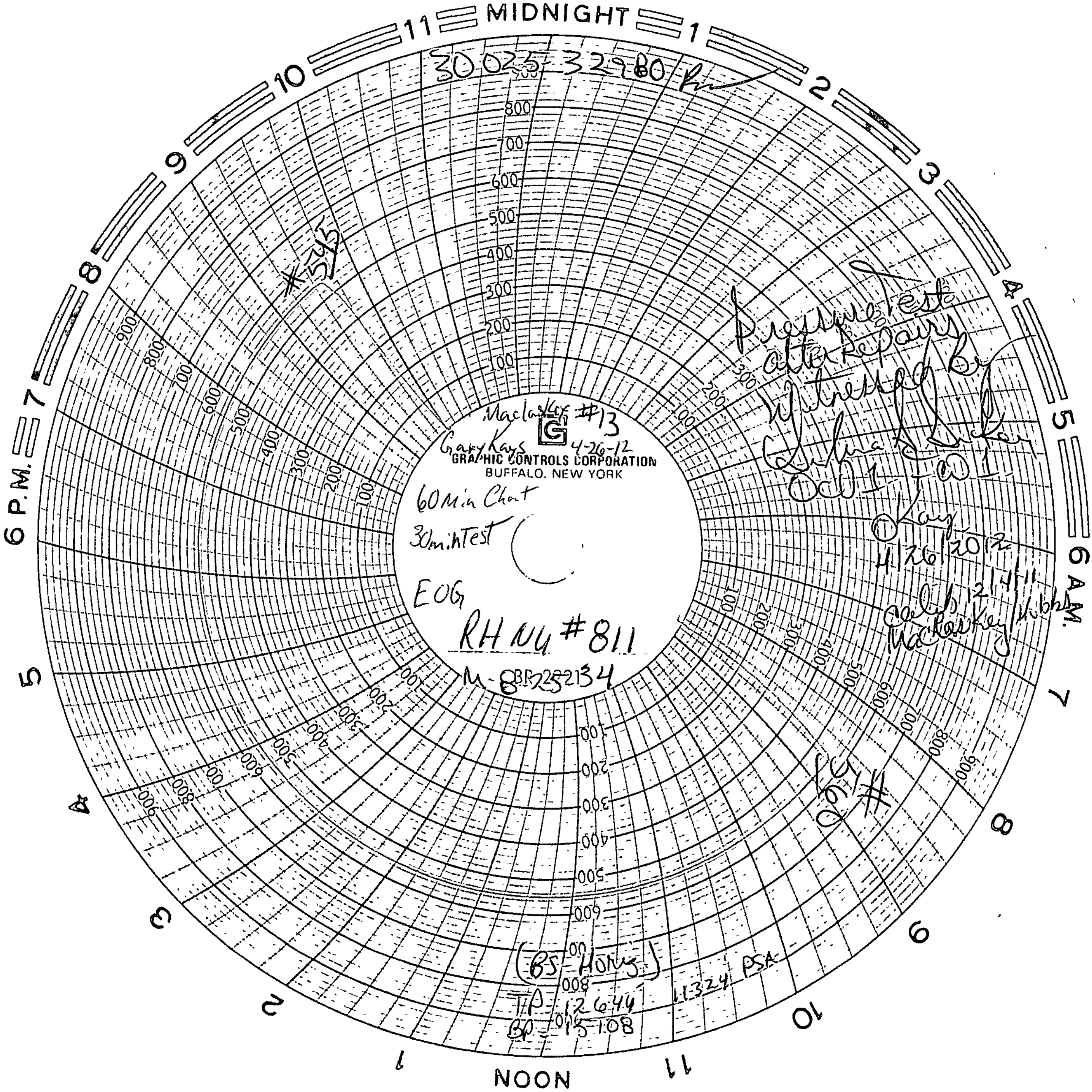
Approved by
Title
Date
Office

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

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

MW/OCD 09-07-2012

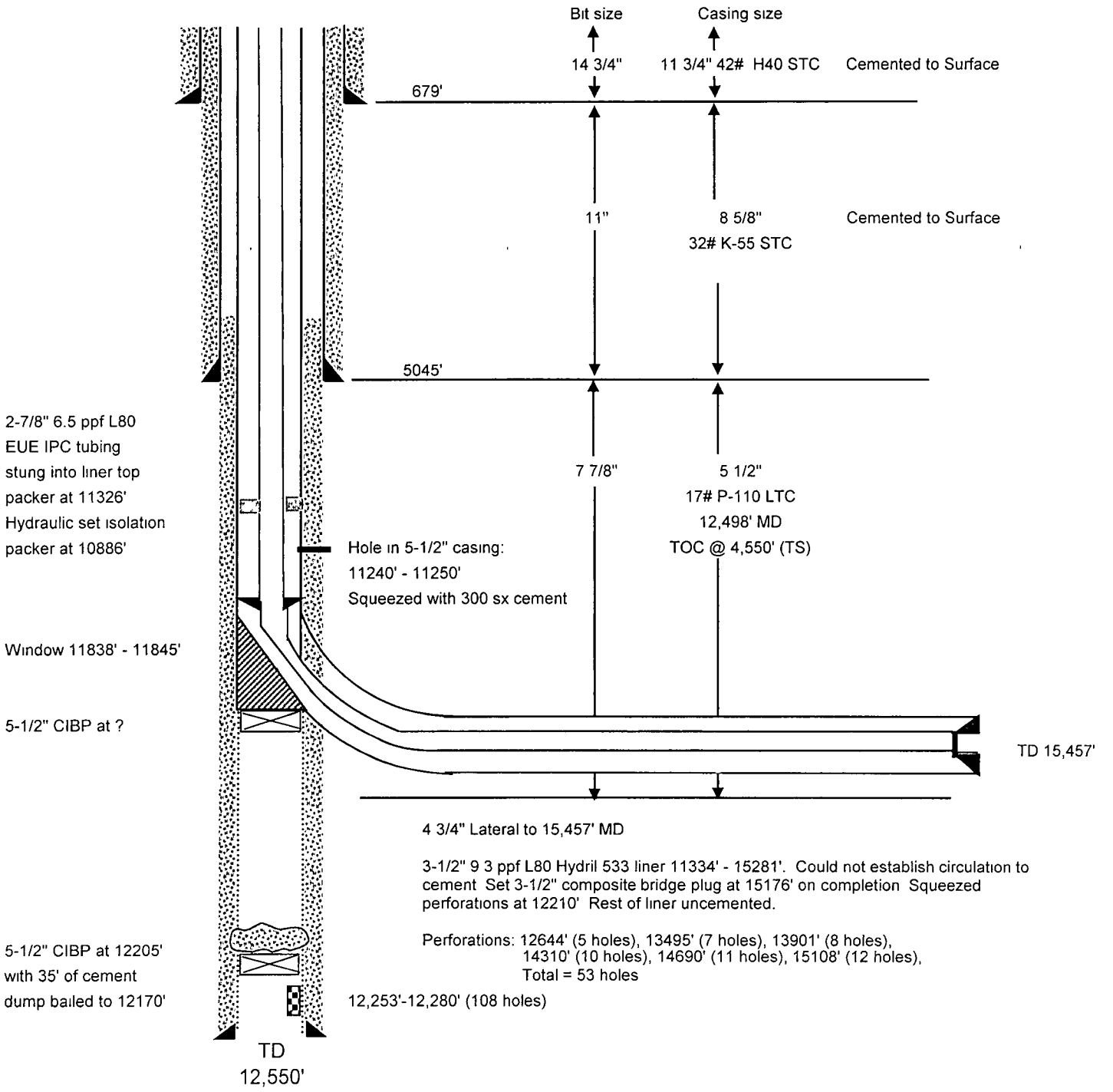
SEP 10 2012


MIDNIGHT
6 A.M.
NOON
6 P.M.
GRAPHIC CONTROLS CORPORATION
BUFFALO, NEW YORK
30-025-32980
Maclaskey #13
Gary Kays 4-26-12
60 Min Chart
30 min Test
EOG
RH NU #811
Pressure Test
after Repairs
Witnessed By
4/26/2012
#69
(BS Hours)

Red Hills North Unit No.811H WIW

509' FWL & 662' FSL
Sec. 8-25S-34E
Lea County, New Mexico
API 30-025-32980

eog resources



5/10/2012

Order of the Authorized Officer

EOG Resources Inc.
Red Hills North Unit - 811
API 30-025-32980
September 4, 2012

On or before October 15, 2012, provide BLM with an electronic copy (Adobe Acrobat Document) of an injection profile survey taken within the last six months and verify water is being injected only into the 3rd Bone Spring sand interval 11,334' to 12,259' TVD.

Well with a Packer – Operations

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.
2) 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.
3) 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.
4) Make arrangements 24 hours before the test for BLM witness: email Andy Cortez acortez@blm.gov, (phone 575-393-3612 or 575-631-5801). If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". 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 workover.

7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization. Approved injection pressure compliance is required. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
9) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
10) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
11) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of the annular fluid level at any time.
12) A "Best Management Practice" is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.
13) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
14) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
15) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of 0psia. Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
16) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List the daily descriptions of any previously unreported wellbore workover(s).

Access information for **use of Form 3160-5** "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.