

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires July 31, 2010SUNDRY NOTICES AND REPORTS ON WELLS **OCD Hobbs**

**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**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>NMM96781</b>
2. Name of Operator <b>EOG Resources Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>P.O. Box 2267 Midland, Texas 79702</b>	3b. Phone No (include area code) <b>432-686-3689</b>	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1980 FSL &amp; 1980 FWL, U/L K Sec 28, T18S, R33E</b>		8. Well Name and No. <b>Querecho Federal 1</b>
		9. API Well No. <b>30-025-26567</b>
		10. Field and Pool, or Exploratory Area <b>South Corbin</b>
		11. County or Parish, State <b>Lea NM</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<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 checked="" type="checkbox"/> Other <b>Production Test</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input 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 recompleat 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.)

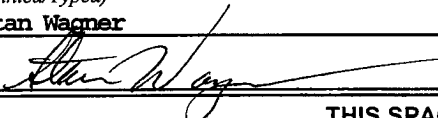
8/09/10 Shut-in well at 12:30 PM MST.  
24 hour Shut-in pressure reading - Tubing Pressure - 100 psi ; Casing Pressure - 285 psi.  
8/10/10 Returned to production at 12:45 PM MST.  
8/11/10 Tubing pressure - 220 psi  
Casing Pressure - 42 psi  
39 BOPD, 53 MCFPD, 75 BWPD  
8/12/10 Tubing pressure - 250 psi  
Casing pressure - 40 psi  
53 BOPD, 76 MCFPD, 42 BWPD  
8/13/10 Tubing pressure - 200 psi  
Casing pressure - 40 psi  
36 BOPD, 63 MCFPD, 40 BWPD  
Shut-in well at 12:05 PM MST per BLM.

RECEIVED

SEP 07 2010

HOBBSOCD

KJ PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>Stan Wagner</b>		Title <b>Regulatory Analyst</b>
Signature 		Date <b>8/17/10</b>
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title <b>/s/ Dustin Winkler</b>	Date <b>SEP 07 2010</b>
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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

ACCEPTED FOR RECORD

AUG 31 2010

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

**BLM COPY****UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT****NOTICE OF INCIDENTS OF NONCOMPLIANCE**☒ Certified Mail - Return  
Receipt Requested  
70090820000144021875☐ Hand Delivered Received  
by

Identification

IID

Lease **NMNM96781**

CA

Unit

PA

Bureau of Land Management Office

**HOBBS INSPECTION OFFICE**

Operator

**EOG RESOURCES INCORPORATED**Address **414 WEST TAYLOR  
HOBBS NM 88240**Address **PO BOX 2267  
MIDLAND TX 79702**Telephone **575.393.3612**

Attention

Inspector **CORTEZ**

Attn Addr

Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State
<b>QUERECHO</b>	<b>01</b>	<b>NESW 28</b>	<b>18S</b>	<b>33E</b>	<b>NMP</b>	<b>LEA</b>	<b>NM</b>

Site Name	Well or Facility	1/4 1/4 Section	Township	Range	Meridian	County	State

**THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE**

Date	Time (24 - hour clock)	Violation	Gravity of Violation
08/03/2010		43 CFR 3162.3-2 (a)	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
08/24/2010			43 CFR 3163.1()

## Remarks

Well was recompleted and downhole commingled prior to obtaining approval -- Shut the well-in for a 24 hour period to establish a shut-in pressure, do a 3 day production test, record and submit results on a Sundry Notice 3160-5. Notify me prior to commencing the 3 day product test. Failure to comply may result in monetary assessment.

When violation is corrected, sign this notice and return to above address

Company Representative Title

*Regulatory Analyst*

Signature

*Stan Wagner*

Date

*8/17/10*

Company Comments

*See attached Sundry Notice.***WARNING**

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**REVIEW AND APPEAL RIGHTS**

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer

*Andy Cortez*

Date

*8-3-10*

Time

*1615***FOR OFFICE USE ONLY**

Number	Date	Assessment	Penalty	Termination
53				
Type of Inspection				
RR				