

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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

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)

660' FNL & 1980' FWL U/L C
Sec 17, T18S, R33E

5. Lease Serial No.

NMLC069420

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

West Corbin 8

Federal

9. API Well No.

30-025-29783

10. Field and Pool, or Exploratory Area

South Corbin Bone Spring

11. County or Parish, State

Lea 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 | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Alter Casing | ☐ Fracture Treat | ☐ Reclamation | ☐ Well Integrity |
| ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☐ Other |
| ☐ 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 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 recompleat 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.)

Request for approval of method for produced water disposal.

Water disposal information sheet is attached.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

RECEIVED
DEC 13 2010
HOBBSOCD

ACCEPTED FOR RECORD
DEC 9 2010
/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)

Stan Wagner

Title Regulatory Analyst

Signature

Date 12/1/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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 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.

Water Production & Disposal Information

West Corbin Federal #8

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. Bone Springs & Wolfcamp
2. Amount of water produced from all formations in barrel per day. 29 BWPD BS & 31 BWPD WC
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (one sample will suffice if the water is commingled) Attached
4. How water is stored on the lease. No Water Storage
5. How water is moved to the disposal facility. Transferred through flowline
6. Identify the Disposal Facility by:
 - A. Facility Operators Name. EOG Resources, Inc.
 - B. Name of facility or well name & number. West Corbin Federal #16
 - C. Type of facility or well (WDW) (WIW) etc. WDW
 - D. Location: 990' FSL & 1980' FEL
1/4 1/4 SWSE Section 7 Township 18S Range 33E
7. Attatch a copy of the State issued permit for the Disposal Facility

Submit 1 original and 5 copies on Sundry Notice 3160-5

Analytical Laboratory Report for:

EOG RESOURCES PBR



BJ Chemical Services

Account Representative:

Lavell Hanson

Production Water Analysis

Listed below please find water analysis report from: WEST CORBIN FEDERAL, 8

Lab Test No: 2010117689

Sample Date:

04/07/2010

Specific Gravity: 1.123

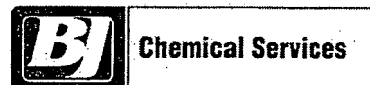
TDS: 188890

pH: 6.40

Cations:	mg/L	as:
Calcium	2219	(Ca ⁺⁺)
Magnesium	574	(Mg ⁺⁺)
Sodium	63880	(Na ⁺)
Iron	22.00	(Fe ⁺⁺)
Potassium	1473.0	(K ⁺)
Barium	0.05	(Ba ⁺⁺)
Strontium	77.00	(Sr ⁺⁺)
Manganese	0.62	(Mn ⁺⁺)
Anions:	mg/L	as:
Bicarbonate	244	(HCO ₃ ⁻)
Sulfate	3100	(SO ₄ ⁼)
Chloride	117300	(Cl ⁻)
Gases:		
Carbon Dioxide	140	(CO ₂)
Hydrogen Sulfide	17	(H ₂ S)

EOG RESOURCES PBR Lab Test No: 2010117689

DownHole SAT™ Scale Prediction
@ 100 deg. F



Mineral Scale	Saturation Index	Momentary Excess (lbs/1000 bbls)
Calcite (CaCO ₃)	0.70	-0.03
Strontianite (SrCO ₃)	0.02	-6.56
Anhydrite (CaSO ₄)	0.66	-663.21
Gypsum (CaSO ₄ *2H ₂ O)	0.73	-535.48
Barite (BaSO ₄)	0.18	-0.39
Celestite (SrSO ₄)	0.27	-360.62
Siderite (FeCO ₃)	5.21	0.08
Halite (NaCl)	0.14	-296184.81
Iron sulfide (FeS)	10.93	4.18

Interpretation of DHSat Results:

The Saturation Index is calculated for each mineral species independently and is a measure of the degree of supersaturation (driving force for precipitation) under the conditions modeled. This value ranges from 0 to infinity with 1.0 representing a condition of equilibrium where scale will neither dissolve nor precipitate. Values less than 1.0 are undersaturated and values greater than 1.0 are supersaturated. The Momentary excess is a measure of how much scale would have to precipitate to bring the system back to a non-scaling condition. This value ranges from negative (dissolving) to positive (precipitating) values. The Momentary Excess represents the amount of scale possible while the Saturation Level represents the probability that scale will form.

Analytical Laboratory Report for:
EOG RESOURCES PBR



BJ Chemical Services
Account Representative:
Lavell Hanson

Production Water Analysis

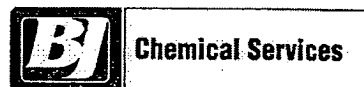
Listed below please find water analysis report from: WEST CORBIN FEDERAL, 30

Lab Test No: 2010135886 Sample Date: 07/15/2010
Specific Gravity: 1.130

TDS: 199090
pH: 6.60

Cations:	mg/L	as:
Calcium	2282	(Ca ⁺⁺)
Magnesium	558	(Mg ⁺⁺)
Sodium	72000	(Na ⁺)
Iron	0.77	(Fe ⁺⁺)
Potassium	885.0	(K ⁺)
Barium	0.00	(Ba ⁺⁺)
Strontium	70.00	(Sr ⁺⁺)
Manganese	0.15	(Mn ⁺⁺)
Anions:	mg/L	as:
Bicarbonate	244	(HCO ₃ ⁻)
Sulfate	2450	(SO ₄ ⁼)
Chloride	120600	(Cl ⁻)
Gases:		
Carbon Dioxide	90	(CO ₂)
Hydrogen Sulfide	51	(H ₂ S)

EOG RESOURCES PBR Lab Test No: 2010135886
DownHole SAT™ Scale Prediction
@ 100 deg. F



Mineral Scale	Saturation Index	Momentary Excess (lbs/1000 bbls)
Calcite (CaCO ₃)	0.97	-0.00
Strontianite (SrCO ₃)	0.02	-7.21
Anhydrite (CaSO ₄)	0.54	-875.79
Gypsum (CaSO ₄ *2H ₂ O)	0.60	-786.21
Barite (BaSO ₄)	0.00	-0.61
Celestite (SrSO ₄)	0.19	-470.64
Siderite (FeCO ₃)	0.24	-0.31
Halite (NaCl)	0.15	-295654.94
Iron sulfide (FeS)	2.26	0.10

Interpretation of DHSat Results:

The Saturation Index is calculated for each mineral species independently and is a measure of the degree of supersaturation (driving force for precipitation) under the conditions modeled. This value ranges from 0 to infinity with 1.0 representing a condition of equilibrium where scale will neither dissolve nor precipitate. Values less than 1.0 are undersaturated and values greater than 1.0 are supersaturated. The Momentary excess is a measure of how much scale would have to precipitate to bring the system back to a non-scaling condition. This value ranges from negative (dissolving) to positive (precipitating) values. The Momentary Excess represents the amount of scale possible while the Saturation Level represents the probability that scale will form.

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5900

ADMINISTRATIVE ORDER NO. SWD-389

APPLICATION OF MERIDIAN OIL, INC.

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Meridian Oil, Inc. made application to the New Mexico Oil Conservation Division on June 4, 1990, for permission to complete for salt water its West Corbin Federal Well No. 16, located in Unit O of Section 7, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations.
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified; and
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met.
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

- (1) The applicant herein, Meridian Oil, Inc. is hereby authorized to complete its West Corbin Federal Well No. 16 located in Unit O of Section 7, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Bone Spring formation at approximately 8666 feet to approximately 8982 feet through 2 7/8- inch plastic-lined tubing set in a packer located at approximately 8600 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 1733 psi.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Bone Spring formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

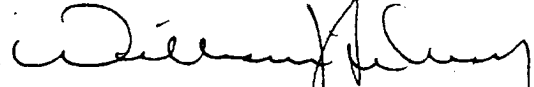
PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule 706 and 1120 of the Division Rules and Regulations.

Administrative Order No. SWD-389
Meridian Oil, Inc.
June 21, 1990
Page 3

Approved at Santa Fe, New Mexico, on this 21st day of June, 1990.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the printed name. The signature is fluid and cursive, with a long, sweeping line extending from the end of the name.

WILLIAM J. LEMAY
Director

SEAL

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
9. Disposal at any other site will require prior approval.
10. Subject to like approval by NMOCD.

9/30/2010