N.M. Oil Cons. Division 1625 N. French Dr. Hobbs, NM, 88240

FORM APPROVED **UNITED STATES** Form 3160-5 **DEPARTMENT OF THE INTERIOR** OMB NO. 1004-0135 (August 1999) **BUREAU OF LAND MANAGEMENT** Expires: November 30, 2000 (1 original, 5 copies) SUNDRY NOTICES AND REPORTS ON WELLS Lease Serial No. Do not use this form for proposals to drill or to re-enter an NM94850 If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on reverse side If Unit or CA/Agreement, Name and/or No. Type of well Other X Oil Well Gas Well Well Name and No. 2. Name of Operator Diamondtail "3" Fed No. 1 EOG Resources, Inc. API Well No. 3b. Phone No. (include area code) 3a. Address 30-025-35014 (915)686-3714 P.O. Box 2267, Midland, TX 79702 10 Field and Pool, or Exploratory 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) Triste Draw (Delaware) 11 County or Parish, State 660' FNL & 1,980' FEL Lea, NM Sec 3-T24S-R32E DICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Production (Start/Resume) Acidize Deepen Well Integrity Reclamation Fracture Treat Alter Casing Notice of Intent Recomplete New Construction Casing Repair Plug and Abandon Temporarily Abandon Subsequent Report Change Plans Water Disposal Plug Back Convert to Injection Final Abandonment Notice 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 site is ready for final inspection. EOG Resources, Inc. requests permission to dispose water from subject well into its Triste Draw "36" State No. 1 well. EOG will transport produced water in a poly line to holiday tank at SWD well. Estimated rate of disposal from this well and lease is 300 bbls per day. 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Agent Title Mike Francis 9/3/00 Date Signature EDERAL OR STATE OFFICE USE Title Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or Office certify that the applicant holds legal or equitable title to those rights in the subject leaase which would entitle the applicant to conduct thereon Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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

In orde	r to process your disposal request, the following information must be completed:								
1.	Name of formations producing water on the leaseTriste Draw (Delaware)								
2.	Amount of water produced from all formation in barrels per day300								
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).								
4.	How water is stored on the lease. Frac Tank								
5.	How water is moved to the disposal facility Transfer pump – Fasline								
6.	Identify the Disposal Facility by:								
	A. Facility operators name. <u>EOG Resources, Inc.</u>								
	B. Name of facility or well name & numberTriste Draw "36" State No. 1 SWD								
	C. Type of facility or well (WDW) (WIW) etc WDW								
	D. Location by ¼ by ¼ SW/4 NW/4 section 36 township 23S range 32E								
7.	Attach a copy of the State issued permit for the Disposal Facility.								

Submit to this office, 414 West Taylor, Hobbs, NM 88240, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within the required time frame. (This form may be used as an attachment to the Sundry Notice). Call me at 505-393-3612 if you need to further discuss this matter.

Aug-18-00 04:53P Martin Water Labs

915 563 1040

P.02

То:	Mr. Diri	k Ellyson			Laboratory No. Sample Received Results Reported	8-17-00		
COMPANY FIELD	EOG Re	sources, Inc.		Lease:	As listed			
SEC	BLK	SURVEY		County:	Lea, NM			
No. 1	Produce	d water - taken fro	om Diamondiai			·		
No. 2	Produced water - taken from Diamond34 #1 Fed. 8-17-00							
No. 3		-						
No. 4								
REMARKS:								
Specific Gravit	ry @ 60°F.		1.1681	1.1740				
pH When Sam	pled							
pH When Rece	ived		6.60	7.40				
Bicarbonate, as	HC03		68	205				
Supersaturat	ion, as CaC	:03						
Undersatura	tion, as CaC	203						
Total Hardness	, as CaC03		60,500	69,000				
Calcium, as Ca			20,000	22,600				
Magnesium, as Mg			2,552	3,038				
Sodium and/or Potassium			77,368	82,678				
Sulfate, as SO4	}		370	282				
Chloride, as Cl			161,880	176,080				
lron, as Fe			102	490				
Barium, as Ba								
Turbidity								
Color, as Pt								
Total Solids, Ca	alc.		262,238	284,883				
Temperature, °	f.							
Carbon Dioxide	,							
Dissolved Oxyg	-							
Hydrogen Sulfide			0.0	0.0				
Resistivity, ohms/m @ 77°F.			0.050	0.047				
Suspended Oil								
Filtrable Solids,								
Volume Filter	ed, ml							

Results Reported As Milligrams Per Liter

Additional Determinations & Remarks

The above results show a significant change in the water from Diamondtail 3 Fed. #1 as compared to the water recovered on 6-19-00 and reported on laboratory #60094. The water now correlates well with our nearest records of Delaware in the Paduca field to the south and the Cruz field to the northeast. The water from Diamond 34 #1 Fed. is very similar to that being recovered from Diamondtail 3 Fed. #1 and obviously is also similar to Delaware.

co: Hal Crubb, Midland

MARTIN WATER LABS., INC.

NEW MEXICO ENERGY, MINERALS AND NATURAL REQUIRCES DEPARTMENT

OIL CONSTRUCTION DIVISION

Orlesia

ADMINISTRATIVE ORDER SWD-608

APPLICATION OF MERIDIAN OIL COMPANY FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Meridian Oil Company made application to the New Mexico Oil Conservation Division on October 10, 1995, for permission to complete for salt water disposal its Triste Draw "36" State Well No.1 located 1980 feet from the North line and 510 feet from the West line in Unit E of Section 36, Township 23 South, Range 32 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 Company is hereby authorized to complete its Triste Draw "36" State Well No.1 located 1980 feet from the North line and 510 feet from the West line in Unit E of Section 36, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Bell Canyon formation at approximately 5364 feet to approximately 6138 feet through 2 7/8 inch plastic lined tubing set in a packer located at approximately 5300 feet.

Administrative Order SWD-608 Meridian Oil Company October 31, 1995 Page 2

IT IS FURTIUM 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 1073 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 Bell Canyon 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 the entry of 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.

Administrative Order SWD-608 Meridian Oil Company October 31, 1995 Page 3

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

Approved at Santa Fe, New Mexico, on this 31st day of October, 1995

LLIANI J. LEMAY, Directo

xc:

Oil Conservation Division - Hobbs State Land Office - Oil & Gas Division

WJL/BES

Aug-18-00 04:53P Martin Water Labs

915 563 1040

P.02

To:	Mr. Dir)	k Ellyson			Laboratory No. Sample Received Results Reported	8-17-00			
COMPANY	EOG Re	sources, Inc.		Lease:	As listed				
FIELD									
SEC	BLK	SURVEY		County:	Lea, NM				
No. 1	Produced water - taken from Diamondtail 3 Fed. #1. 8-17-00								
No. 2									
No. 3									
No. 4									
REMARKS:	_								
Specific Gravi	_		1.1681	1.1740					
pH When Sam	•								
pH When Rece			6.60	7.40					
Bicarbonate, a			68	205					
Supersaturat									
Undersatura	•		(0.500	(0.000					
Total Hardness	-		60,500	69,000					
Calcium, as Ca			20,000	22,600					
Magnesium, as Mg Sodium and/or Potassium			2,552	3,038					
Sulfate, as SO4			77,368 370	82,678					
-			161,880	2 8 2 176,080					
Chloride, as Cl Iron, as Fe			101,880	490					
Barium, as Ba			102	470					
Turbidity									
Color, as Pt									
Total Solids, C	alc.		262,238	284,883					
Temperature, °			,	201,000					
Carbon Dioxid	e, Calc.								
Dissolved Oxyg	gen								
Hydrogen Sulfi	de		0.0	0.0					
Resistivity, ohn	ns/m @ 77°	F.	0.050	0.047					
Suspended Oil									
Filtrable Solids	, mg/l								
Volume Filter	red, ml								

Results Reported As Milligrams Per Litter

Additional Determinations & Remarks

The above results show a significant change in the water from Diamondtail 3 Fed. #1 as compared to the water recovered on 6-19-00 and reported on laboratory #60094. The water now correlates well with our nearest records of Delaware in the Paduca field to the south and the Cruz field to the northeast. The water from Diamond 34 #1 Fed. is very similar to that being recovered from Diamondtail 3 Fed. #1 and obviously is also similar to Delaware.

co: Hal Crubb, Midland

MARTIN WATER LABS., INC.