

ATS-12-918

Form 3160-3  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

OCD Artesia


FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

1a Type of work. <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5 Lease Serial No NMLC-028731B
1b Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name N/A
2 Name of Operator COG Operating LLC		7 If Unit or CA Agreement, Name and No NMNM-111789X; Dodd Federal Unit
3a Address 550 W. Texas Ave., Suite 100 Midland, TX 79701		8 Lease Name and Well No. DODD FEDERAL UNIT #14TH
3b Phone No. (include area code) 432-685-4384		9 API Well No 30-015-40634
4 Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SHL: 488' FNL & 330' FWL, Unit D At proposed prod. zone BHL: 330' FNL & 330' FEL, Unit A		10 Field and Pool, or Exploratory Dodd; Glorieta-Upper Yeso
14 Distance in miles and direction from nearest town or post office* 2 miles from Loco Hills, NM		11 Sec., T. R. M. or Blk. and Survey or Area Sec 14 T17S R29E
15 Distance from proposed* location to nearest property or lease line, ft (Also to nearest drig. unit line, if any) 330'	16 No. of acres in lease 1480	17 Spacing Unit dedicated to this well 160
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft 125'	19 Proposed Depth TVD: 4778' MD: 9272'	20 BLM/BIA Bond No on file NMB000740; NMB000215
21 Elevations (Show whether DF, KDB, RT, GL, etc) 3614' GL	22 Approximate date work will start* 08/30/2012	23 Estimated duration 15 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form

- |   |  |
|---|--|
| 1 Well plat certified by a registered surveyor  | 4 Bond to cover the operations unless covered by an existing bond on file (see Item 20 above)    |
| 2 A Drilling Plan   | 5 Operator certification   |
| 3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office) | 6 Such other site specific information and/or plans as may be required by the authorized officer |

25. Signature 	Name (Printed/Typed) Kelly J. Holly	Date 06/28/2012
---	--	--------------------

Title Permitting Tech

Approved by (Signature) /s/ Don Peterson	Name (Printed/Typed)	Date AUG 28 2012
--	----------------------	---------------------

Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE
---------------------	------------------------------

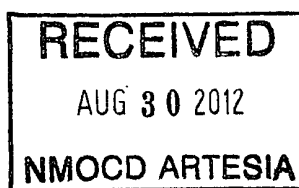
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon  
Conditions of approval, if any, are attached.

**APPROVAL FOR TWO YEARS**

Title 18 USC 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.

\*(Instructions on page 2)

Roswell Controlled Water Basin



Approval Subject to General Requirements  
& Special Stipulations Attached

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

*Surface Use Plan*

*COG Operating, LLC*

*Dodd Federal Unit #141H*

*SL: 488' FNL & 330' FWL*

*UL D*

*BHL: 330' FNL & 330' FEL*

*UL A*

*Section 14, T-17-S, R-29-E*

*Eddy County, New Mexico*

---

I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access road proposed herein; that I am familiar with the conditions that presently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or COG Operating, LLC, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements. Executed this 7th day of March, 2012.

Signed: \_\_\_\_\_



Printed Name: Carl Bird

Position: Drilling Engineer

Address: 550 W. Texas, Suite 1300, Midland, Texas 79701

Telephone: (432) 683-7443

Field Representative (if not above signatory): Same

E-mail: cbird@conchoresources.com

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO 1004-0135  
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.*5. Lease Serial No.  
NMLC028731B

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No  
DODD FEDERAL UNIT 141H

9. API Well No.

30-015-40634

10. Field and Pool, or Exploratory  
DODD - GLORIETA-UPPER YESO

11. County or Parish, and State

EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

COG OPERATING LLC

Contact KACIE CONNALLY

E-Mail: kconnally@concho.com

3a. Address

550 WEST TEXAS AVENUE SUITE 100  
MIDLAND, TX 79701

3b. Phone No. (include area code)

Ph: 432.221.0336

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 14 T17S R29E NWNW 488FNL 330FWL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 site is ready for final inspection.)

COG Operating respectfully requests permission to change the name and number of this well to:

Dodd Federal Unit #916H

A revised C-102 is attached for your review.

14. I hereby certify that the foregoing is true and correct

Electronic Submission #145147 verified by the BLM Well Information System

For COG OPERATING LLC, sent to the Carlsbad

Committed to AFMSS for processing by BEVERLY WEATHERFORD on 08/09/2012 (12BMW0535SE)

Name (Printed/Typed) KACIE CONNALLY

Title PERMITTING TECH

Signature

(Electronic Submission)

Date 08/07/2012

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

/s/ JD Whitlock Jr

Title

FIELD MANAGER

AUG 20 2012

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

CARLSBAD FIELD OFFICE

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

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

ATTACHMENT TO FORM 3160-3  
 COG Operating, LLC  
 DODD FEDERAL UNIT #141H  
 SHL: 488' FNL & 330' FWL, Unit D  
 BHL: 330' FNL & 330' F&L, Unit A  
 Sec 14, T17S, R29E  
 Eddy County, NM

1. Proration Unit Spacing: 160 Acres
2. Ground Elevation: 3614'
3. Proposed Depths: Horizontal TVD = 4778', MD = 9273'
4. Estimated tops of geological markers:

Quaternary	Surface
Rustler	300'
Top of Salt	500'
Base of Salt	850'
Yates	1003'
Seven Rivers	1283'
Queen	1891'
Grayburg	2382'
San Andres	2586'
Glorieta	4006'
Paddock	4069'
Blinberry	4489'
Tubb	5456'

5. Possible mineral bearing formations:

Water Sand	150'	Fresh Water
Grayburg	2382'	Oil/Gas
San Andres	2586'	Oil/Gas
Glorieta	4006'	Oil/Gas
Paddock	4069'	Oil/Gas
Blinberry	4489'	Oil/Gas
Tubb	5456'	Oil/Gas

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Setting 13 3/8" casing to 325' and circulating cement back to the surface will protect the surface fresh water sand. The Salt Section will be protected by setting 9 5/8" casing to 1350' and circulating cement, in a single or multi-stage job and/or with an ECP, back to the surface. Any shallower zones above TD, which contain commercial quantities of oil and/or gas, will have cement circulated across them. This will be achieved by cementing, with a single or multi-stage job, the 7" x 5 1/2" production casing back 200' into the intermediate casing (although cement volume is actually calculated to surface), to be run at TD. If wellbore conditions arise that require immediate action and/or a change to this program, COG Operating LLC personnel will always react to protect the wellbore and/or environment.

See COA

See COA

6. Casing Program - ProposedSee  
COA

Hole size	Interval	OD of Casing	Weight	Cond.	Collar	Grade
17-1/2"	0' - +/- 325' <sup>250</sup>	13-3/8"	48#	New	STC	H-40 or Hybrid J-55
Collapse sf - 4.36, Burst sf - 9.79, Tension sf - 16.77						
12-1/4"	0' - +/- 1350'	9-5/8"	36#	New	STC	J/K-55
Collapse sf - 3.16, Burst sf - 5.51, Tension sf - 9.32						
8-3/4" x 7 7/8"	0' - 9272'	7" x 5-1/2"	26#/17#	New	LTC	L-80
7" Csg - Collapse sf - 2.61, Burst sf - 2.03, Tension sf - 4.56						
5 1/2" Csg - Collapse sf - 2.74, Burst sf - 2.04, Tension sf - 4.22						

Production string will be a tapered string with 7" 26# L-80 LTC ran from surface to kick off point and then crossed over to 5 1/2" 17# L-80 LTC.

7. Cement Program

**13 3/8" Surface Csg:** Set at +/- 325' MD, 400sx Class "C" w/ 2% CaCl<sub>2</sub> & 0.25 pps CF, yield 1.32 cu.ft./sk., wt. 14.8 ppg. 190% excess, calculated to surface.

**9 5/8" Intrmd. Csg:** Set at +/- 1350' MD.

Option #1: **Single Stage (TD to Surface):** Lead Slurry: 300 sx 50:50:10:C:Poz:Gel w/ 5% salt, 5 pps LCM-1, 0.25 pps CF, yield 2.45 cu.ft./sk., 11.8 ppg. Tail Slurry: 200 sx Class "C" w/ 2% CaCl<sub>2</sub>, yield 1.32 cu.ft./sk., wt. 14.8 ppg. 185% excess, calculated to surface.

See  
COA

Option #2: **Multi Stage:** Stage 1 (TD to DV Tool @ 375'): 200 sx Class "C" w/ 2% CaCl<sub>2</sub>; yield 1.32 cu.ft./sk., wt. 14.8 ppg. 123% excess. Stage 2 (DV Tool to surface): 300 sx 50:50:10:C:Poz:Gel w/ 5% salt, 5 pps LCM-1, 0.25 pps CF, yield 2.45 cu.ft./sk., wt. 14.8 ppg. calculated to surface, 185% excess; assumption for tool is lost circulation. Multi stage tool to be set at approximately, depending on hole conditions, 450' (50' below the surface casing). Cement volumes will be adjusted proportionately for depth changes of multi stage tool.

**7" x 5 1/2" Production Csg:** Set at +/- 9272' MD.

Option #1: **Single Stage (KOP to surface):** Lead Slurry: 400 sx 35:65:6:C:Poz:Gel w/ 5% salt, 5 pps LCM, 0.2% SMS, 0.3% FL-52A, 0.125 pps CF, yield 2.01 cu.ft./sk., wt. 12.5 ppg. Tail Slurry: 300 sx 50:50:2:C:Poz:Gel w/ 5% salt, 3 pps LCM, 0.6% SMS, 1% FL-25, 1% BA-58, 0.125 pps CF, 0.3% FL-52A; yield 1.37 cu.ft./sk., wt. 14.0 ppg. DV Tool and ECP to be set at kick off point with 7" cemented to surface and 5 1/2" run with +/- 18 isolation packers and sliding sleeves in uncemented lateral. 118% excess in open hole, from kick off point, calculated to surface. This is a minimum volume and will be adjusted up after caliper is run.

Option #2: **Multi Stage (DV Tool & ECP (external csg. packer) @ KOP and DV Tool at 3000'): Stage 1:** (KOP To DV Tool at 3000'): 200 sx 50:50:2:C:Poz:Gel w/ 5% salt, 3 pps LCM, 0.6% SMS, 1% FL-25, 1% BA-58, 125 pps CF, 0.3% FL-52A; yield 1.37 cu.ft./sk., wt. 14.00 ppg. 33% excess. This is a minimum volume and will be adjusted up after caliper is run. **Stage 2 (DV Tool to surface):** Lead Slurry: 400 sx 50:50:2:C:Poz:Gel w/ 5% salt, 3 pps LCM, 0.6% SMS, 1% FL-25, 1% BA-58, 0.125 pps CF, 0.3% FL-52A; yield 1.37 cu.ft./sk., wt. 14.0 ppg. Tail Slurry: 300 sx Class C w/ 0.3% R-3 + 1.5% CD-32, yield 1.02 cu.ft./sk., wt. 16.8 ppg. 154% excess calculated back to surface (no need for excess in casing overlap). This is a minimum volume and will be adjusted up after caliper is run.

ATTACHMENT TO FORM 3160-3  
COG Operating, LLC  
DODD FEDERAL UNIT #141H  
Page 3 of 4

You will note that in option #2 the Multi stage tool (DV Tool) will be set at approximately 3000', depending on hole conditions. Cement volumes will be adjusted proportionately for depth changes of multi stage tool; assumption for use of tool is water flow.

8. Pressure Control Equipment:

The blowout preventer equipment (BOP) shown in Exhibit #9 will consist of a double ram-type (2000 psi WP) preventer, and in some cases possibly a 2000 psi Hydril type annular preventer as provided for in Onshore Order #2. This unit will be hydraulically operated and the ram type preventer will be equipped with blind rams on top of 4 1/2" drill pipe rams on the bottom. A 13-5/8" BOP will be used during the drilling of the well. A 13 5/8" permanent casing head will be installed on the 13 3/8" casing. The BOP will be nipped up on the 13 5/8" permanent casing head and tested to 2000 psi. After setting 9-5/8", permanent "B section" well head will be installed and the BOP will then be nipped up on the permanent B section well head and tested by a third party to 2000 psi and used continuously until total depth is reached. Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment (Exhibit #10) will include a Kelly cock and floor safety valve, choke lines and a choke manifold (Exhibit #11) with a 2000 psi WP rating.

9. Proposed Mud Circulating System

Interval	Mud Wt.	Visc.	FL	Type Mud System
0' - 325' <sup>250</sup>	8.5	28	NC	Fresh water native mud w/ paper for seepage and sweeps. Lime for PH.
325'- 1350'	10	30	NC	Brine mud, lime for PH and paper for seepage and sweeps.
1350'- 9272'	9.1	29	NC	Drill section with fresh water/cut brine circulating the reserve utilizing periodic sweeps of paper as needed for seepage control and solids removal.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the well site at all times.

10. Production Hole Drilling Summary:

Drill 8 3/4" hole and kick off at +/- 4373', building curve over +/- 750' to horizontal at 4850' TVD. Drill 7 7/8" lateral section in a easterly direction for +/-4623' lateral to TD at +/-9272' MD, 4778' TVD. Run 7" x 5-1/2" production casing. 7" to be ran from surface to kickoff point and changed over to 5 1/2" with DV Tool and ECP at kickoff point. 5 1/2" casing will be ran from kickoff point to td and isolation packers set throughout lateral. 7" to be cemented from kickoff point to surface.

11. Auxiliary Well Control and Monitoring Equipment

- A. Kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe-stabbing valve with proper drill pipe connections will be on the rig floor at all times.

ATTACHMENT TO FORM 3160-3  
COG Operating, LLC  
DODD FEDERAL UNIT #141H  
Page 4 of 4

12. Logging, Testing and Coring Program:

- A. No electric logs to be run. *See COA*
- B. The mud logging program will consist of lagged 10' samples from intermediate casing point to T.D. in vertical pilot hole and from Kick off point to TD in Horizontal hole.
- C. Drill Stem test is not anticipated.
- D. No conventional coring is anticipated.
- E. Further testing procedures will be determined after the 7" x 5 1/2" production casing has been cemented at TD based on drill shows and log evaluation.

13. Abnormal Conditions, Pressures, Temperatures and Potential Hazards:

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature at TD is 90 degrees and estimated maximum bottom hole pressure is 2102 psi. Measurable gas volumes or Hydrogen Sulfide levels have not been encountered during drilling operations in this area, however an H2S plan is attached to the Drilling Program. No major loss of circulation zones has been reported in offsetting wells.

14. Anticipated Starting Date

Drilling operations will commence approximately on September 30, 2012 with drilling and completion operations lasting approximately 90 days.



## **COG Operating LLC**

**Eddy County, NM (NAN27 NME)**

**Dodd Federal Unit #141H**

**OH**

**Plan: Plan #1 - 8-3/4" Hole**

**SHL = 488' FNL & 330' FWL**

**BHL = 330' FNL & 330' FEL**

## **Standard Planning Report**

**28 June, 2012**







SDI  
Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Dodd Federal Unit #141H
Company:	COG Operating LLC	TVD Reference:	GL @ 3614.00usft
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL @ 3614.00usft
Site:	Dodd Federal Unit #141H	North Reference:	Grid
Well:	Dodd Federal Unit #141H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 - 8-3/4" Hole		

Project	Eddy County, NM (NAN27 NME)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Dodd Federal Unit 14 #1H		
Site Position:		Northing:	669,556.60 usft
From:	Map	Easting:	586,263.50 usft
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16"
		Latitude:	32° 50' 25.373 N
		Longitude:	104° 3' 8.884 W
		Grid Convergence:	0.15°

Well	Dodd Federal Unit #141H		
Well Position	+N/-S	0.00 usft	Northing: 669,556.60 usft
	+E/-W	0.00 usft	Easting: 586,263.50 usft
Position Uncertainty	0.00 usft	Wellhead Elevation:	Ground Level: 3,614.00 usft

Wellbore	OH		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF2010	03/09/12	7.77
			Dip Angle (°)
			60.66
			Field Strength (nT)
			48,859

Design	Plan #1 - 8-3/4" Hole		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0.00	0.00	0.00
			Direction: 88.07
			(°)

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4,372.61	0.00	0.00	4,372.61	0.00	0.00	0.00	0.00	0.00	0.00	
5,130.94	91.00	88.07	4,850.00	16.40	485.52	12.00	12.00	0.00	88.07	
9,271.81	91.00	88.07	4,777.73	156.20	4,623.40	0.00	0.00	0.00	0.00	0.00 PBHL-Dodd Fed 14 #



SDI  
Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Dodd Federal Unit #141H
Company:	COG Operating LLC	TVD Reference:	GL @ 3614.00usft.
Project:	Eddy County, NM (NAN27 NME)	MD Reference:	GL @ 3614.00usft
Site:	Dodd Federal Unit #141H	North Reference:	Grid
Well:	Dodd Federal Unit #141H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 - 8-3/4" Hole		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,372.61	0.00	0.00	4,372.61	0.00	0.00	0.00	0.00	0.00	0.00
KOP Start Build 12.00°/100'									
4,400.00	3.29	88.07	4,399.99	0.03	0.79	0.79	12.00	12.00	0.00
4,500.00	15.29	88.07	4,498.49	0.57	16.88	16.89	12.00	12.00	0.00
4,600.00	27.29	88.07	4,591.50	1.79	53.10	53.13	12.00	12.00	0.00
4,700.00	39.29	88.07	4,674.94	3.64	107.85	107.92	12.00	12.00	0.00
4,800.00	51.29	88.07	4,745.17	6.04	178.75	178.85	12.00	12.00	0.00
4,900.00	63.29	88.07	4,799.11	8.87	262.69	262.84	12.00	12.00	0.00
5,000.00	75.29	88.07	4,834.42	12.03	356.00	356.20	12.00	12.00	0.00
5,100.00	87.29	88.07	4,849.54	15.36	454.61	454.87	12.00	12.00	0.00
5,130.94	91.00	88.07	4,850.00	16.40	485.52	485.80	12.00	12.00	0.00
Land hold 91.00°									
5,200.00	91.00	88.07	4,848.79	18.73	554.53	554.85	0.00	0.00	0.00
5,300.00	91.00	88.07	4,847.05	22.11	654.46	654.83	0.00	0.00	0.00
5,400.00	91.00	88.07	4,845.30	25.49	754.39	754.82	0.00	0.00	0.00
5,500.00	91.00	88.07	4,843.56	28.86	854.31	854.80	0.00	0.00	0.00
5,600.00	91.00	88.07	4,841.81	32.24	954.24	954.79	0.00	0.00	0.00
5,700.00	91.00	88.07	4,840.07	35.61	1,054.17	1,054.77	0.00	0.00	0.00
5,800.00	91.00	88.07	4,838.32	38.99	1,154.10	1,154.76	0.00	0.00	0.00
5,900.00	91.00	88.07	4,836.58	42.37	1,254.03	1,254.74	0.00	0.00	0.00
6,000.00	91.00	88.07	4,834.83	45.74	1,353.95	1,354.73	0.00	0.00	0.00
6,100.00	91.00	88.07	4,833.09	49.12	1,453.88	1,454.71	0.00	0.00	0.00
6,200.00	91.00	88.07	4,831.34	52.49	1,553.81	1,554.70	0.00	0.00	0.00
6,300.00	91.00	88.07	4,829.60	55.87	1,653.74	1,654.68	0.00	0.00	0.00
6,400.00	91.00	88.07	4,827.85	59.25	1,753.66	1,754.67	0.00	0.00	0.00
6,500.00	91.00	88.07	4,826.10	62.62	1,853.59	1,854.65	0.00	0.00	0.00
6,600.00	91.00	88.07	4,824.36	66.00	1,953.52	1,954.63	0.00	0.00	0.00
6,700.00	91.00	88.07	4,822.61	69.38	2,053.45	2,054.62	0.00	0.00	0.00
6,800.00	91.00	88.07	4,820.87	72.75	2,153.38	2,154.60	0.00	0.00	0.00
6,900.00	91.00	88.07	4,819.12	76.13	2,253.30	2,254.59	0.00	0.00	0.00
7,000.00	91.00	88.07	4,817.38	79.50	2,353.23	2,354.57	0.00	0.00	0.00
7,100.00	91.00	88.07	4,815.63	82.88	2,453.16	2,454.56	0.00	0.00	0.00
7,200.00	91.00	88.07	4,813.89	86.26	2,553.09	2,554.54	0.00	0.00	0.00
7,300.00	91.00	88.07	4,812.14	89.63	2,653.01	2,654.53	0.00	0.00	0.00
7,400.00	91.00	88.07	4,810.40	93.01	2,752.94	2,754.51	0.00	0.00	0.00
7,500.00	91.00	88.07	4,808.65	96.38	2,852.87	2,854.50	0.00	0.00	0.00
7,600.00	91.00	88.07	4,806.91	99.76	2,952.80	2,954.48	0.00	0.00	0.00
7,700.00	91.00	88.07	4,805.16	103.14	3,052.73	3,054.47	0.00	0.00	0.00
7,800.00	91.00	88.07	4,803.42	106.51	3,152.65	3,154.45	0.00	0.00	0.00
7,900.00	91.00	88.07	4,801.67	109.89	3,252.58	3,254.44	0.00	0.00	0.00
8,000.00	91.00	88.07	4,799.93	113.26	3,352.51	3,354.42	0.00	0.00	0.00
8,100.00	91.00	88.07	4,798.18	116.64	3,452.44	3,454.41	0.00	0.00	0.00
8,200.00	91.00	88.07	4,796.44	120.02	3,552.36	3,554.39	0.00	0.00	0.00
8,300.00	91.00	88.07	4,794.69	123.39	3,652.29	3,654.38	0.00	0.00	0.00
8,400.00	91.00	88.07	4,792.95	126.77	3,752.22	3,754.36	0.00	0.00	0.00
8,500.00	91.00	88.07	4,791.20	130.14	3,852.15	3,854.35	0.00	0.00	0.00
8,600.00	91.00	88.07	4,789.45	133.52	3,952.08	3,954.33	0.00	0.00	0.00
8,700.00	91.00	88.07	4,787.71	136.90	4,052.00	4,054.31	0.00	0.00	0.00
8,800.00	91.00	88.07	4,785.96	140.27	4,151.93	4,154.30	0.00	0.00	0.00
8,900.00	91.00	88.07	4,784.22	143.65	4,251.86	4,254.28	0.00	0.00	0.00
9,000.00	91.00	88.07	4,782.47	147.02	4,351.79	4,354.27	0.00	0.00	0.00
9,100.00	91.00	88.07	4,780.73	150.40	4,451.71	4,454.25	0.00	0.00	0.00
9,200.00	91.00	88.07	4,778.98	153.78	4,551.64	4,554.24	0.00	0.00	0.00



SDI  
Planning Report



Database:	EDM 5000.1 Single User Db	Local Co-ordinate Reference:	Site Dodd Federal Unit #141H
Company:	COG Operating LLC	TVD Reference:	GL @ 3614.00usft
Project:	Eddy County NM (NAN27 NME)	MD Reference:	GL @ 3614.00usft
Site:	Dodd Federal Unit #141H	North Reference:	Grid
Well:	Dodd Federal Unit #141H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1 - 8-3/4" Hole		

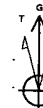
Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
9,271.81	91.00	88.07	4,777.73	156.20	4,623.40	4,626.04	0.00	0.00	0.00
PBHL-Dodd Fed #141H									

Design Targets									
Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude Longitude
PBHL-Dodd Fed #141H	- plan hits target center	0.00	0.01	4,777.73	156.20	4,623.40	669,712.80	590,886.90	32° 50' 26.794 N 104° 2' 14.688 W
	- Point								

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates			
		+N/-S (usft)	+E/-W (usft)	Comment	
4,372.61	4,372.61	0.00	0.00	KOP Start Build 12.00°/100'	
5,130.94	4,850.00	16.40	485.52	Land hold 91.00°	

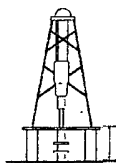


Dodd Federal Unit #141H  
Eddy County, NM (NAN27 NME)  
Northing (Y) 669556.60  
Easting (X) 586263.50  
Plan #1 - 8-3/4" Hole



Azimuths to Grid North  
True North -0 15'  
Magnetic North 7 61'  
Magnetic Field  
Strength 48859 Gauss  
Dip Angle 60 66'  
Date 03/09/2012  
Model IGRF2010

To convert Magnetic North to Grid Add 7 61'  
To convert True North to Grid Subtract 0 15'



GL 3614.00

#### WELL DETAILS: Dodd Federal Unit #141H

+N/-S	+E/-W	Northing	Ground Level	3614.00	Latitude	Longitude	Slot
0.00	0.00	669556.60	586263.50	32° 50' 25.373 N	104° 3' 8.884 W		

#### PROJECT DETAILS Eddy County, NM (NAN27 NME)

Geodetic System US State Plane 1927 (Exact solution)  
Datum NAD 1927 (NADCON CONUS)  
Ellipsoid Clarke 1866  
Zone New Mexico East 3001  
System Datum Mean Sea Level

#### SECTION DETAILS

Sec	MD	Inc	Adi	TVD	+N/-S	+E/-W	Dleg	TFace	VSecl	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	4372.61	0.00	0.00	4372.61	0.00	0.00	0.00	0.00	0.00	
3	5130.94	81.00	88.07	4950.00	18.40	485.52	12.00	88.07	485.80	
4	9271.81	91.00	88.07	4777.73	156.20	4623.40	0.00	0.00	4628.04	PBHL-Dodd Fed 14 #1H

#### SITE DETAILS: Dodd Federal Unit 14 #1H

Site Centre Northing 669556.60  
Easting 586263.50  
Positional Uncertainty 0.00  
Convergence 0.15  
Local North Grid

#### DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PBHL-Dodd Fed #141H	4777.73	156.20	4623.40	669712.90	590886.90	32° 50' 25.794 N	104° 2' 14.688 W	Point
plan has target center								

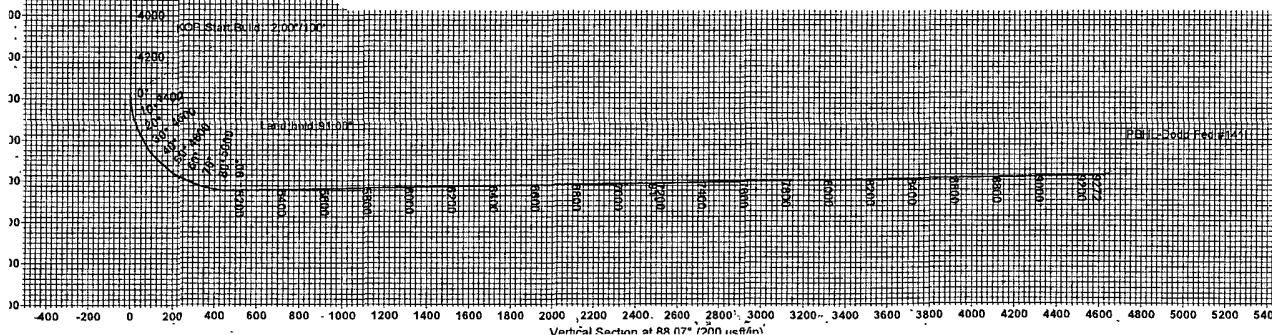
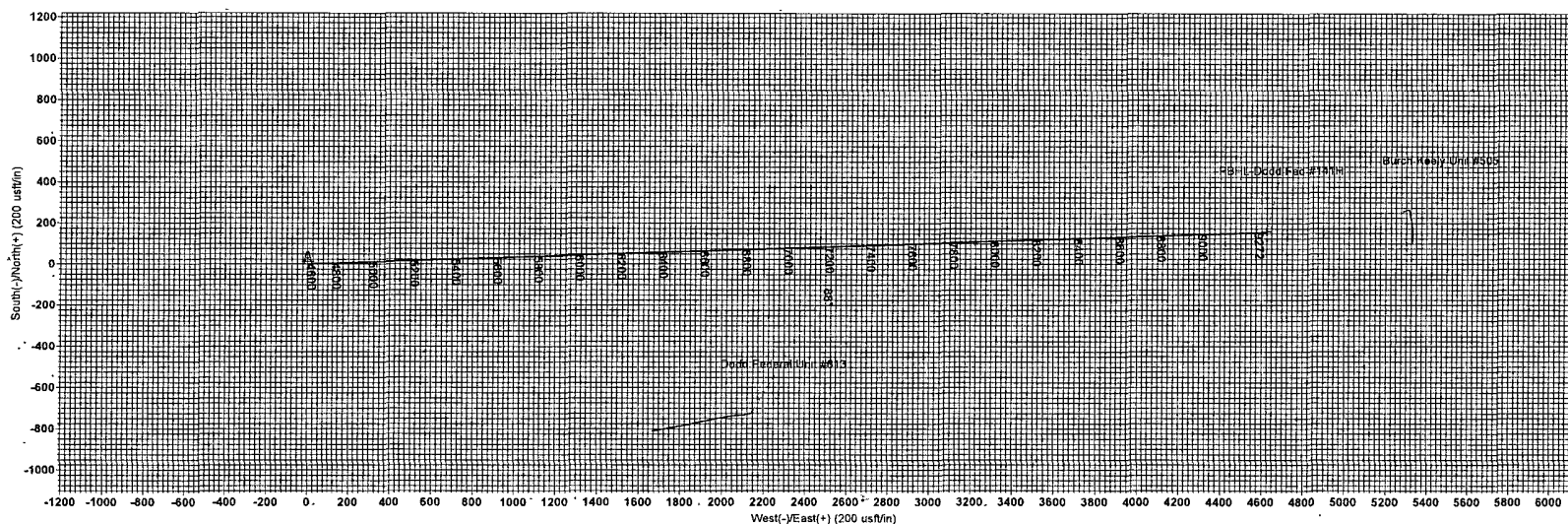
#### LEGEND

— Dodd Federal Unit #613, OH Actual VO  
— #505, OH Actual VO  
— Plan #1 - 8-3/4" Hole

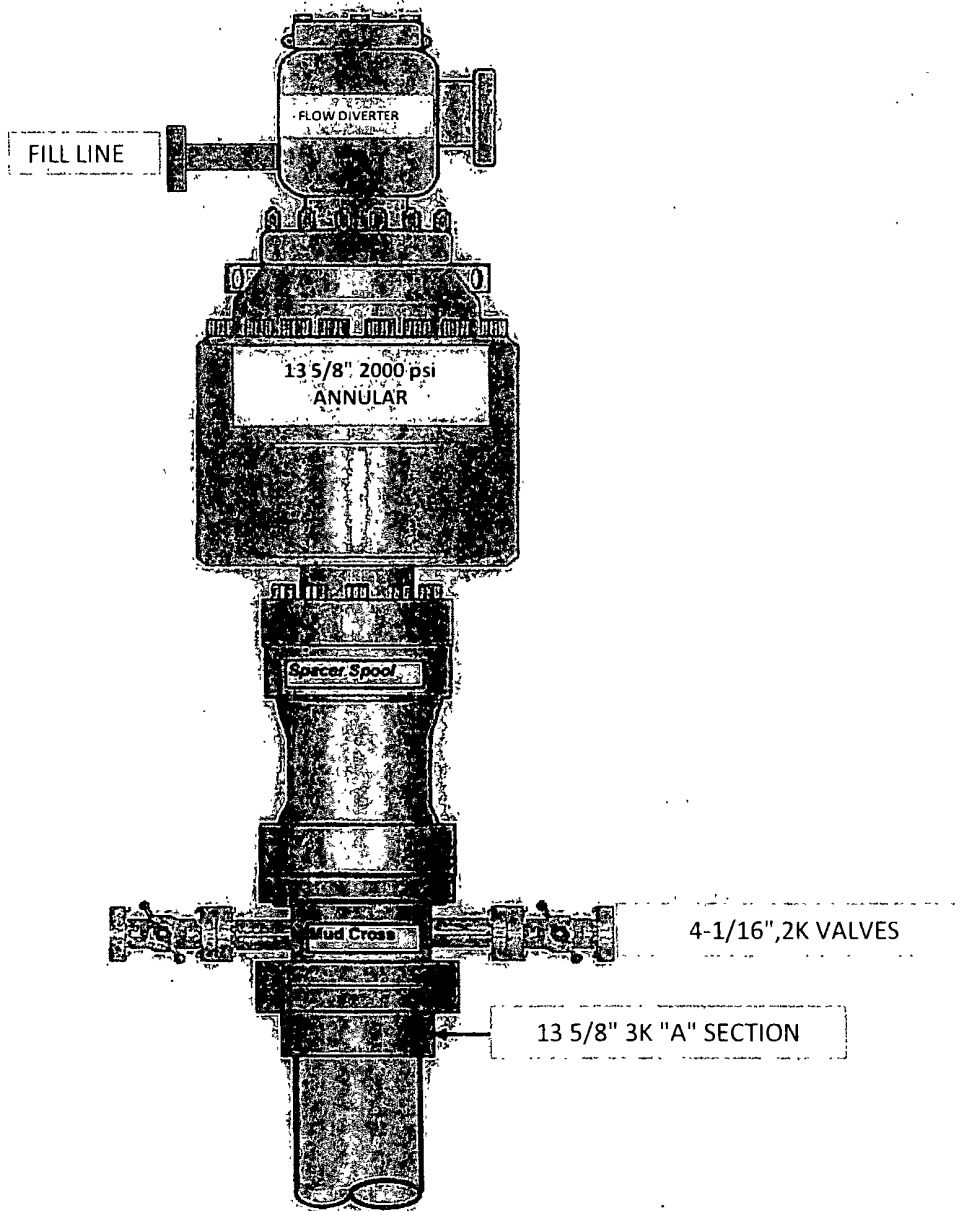
Map System US State Plane 1927 (Exact solution)  
Datum NAD 1927 (NADCON CONUS)  
Ellipsoid Clarke 1866  
Zone Name New Mexico East 3001

Local Origin Site Dodd Federal Unit 14 #1H, Grid North  
Latitude 32° 50' 25.373 N  
Longitude 104° 3' 8.884 W  
Grid East 586263.50  
Grid North 669556.60  
Scale Factor 1.000

Geomagnetic Model IGRF2010  
Sample Date 09-Mar-12  
Magnetic Declination 7.77°  
Dip Angle from Horizontal 60.66°  
Magnetic Field Strength 48859  
To convert Magnetic North to Grid, Add 7.61°  
To convert Magnetic North to True North, Add 7.77° East  
To convert True North to Grid Subtract 0.15°



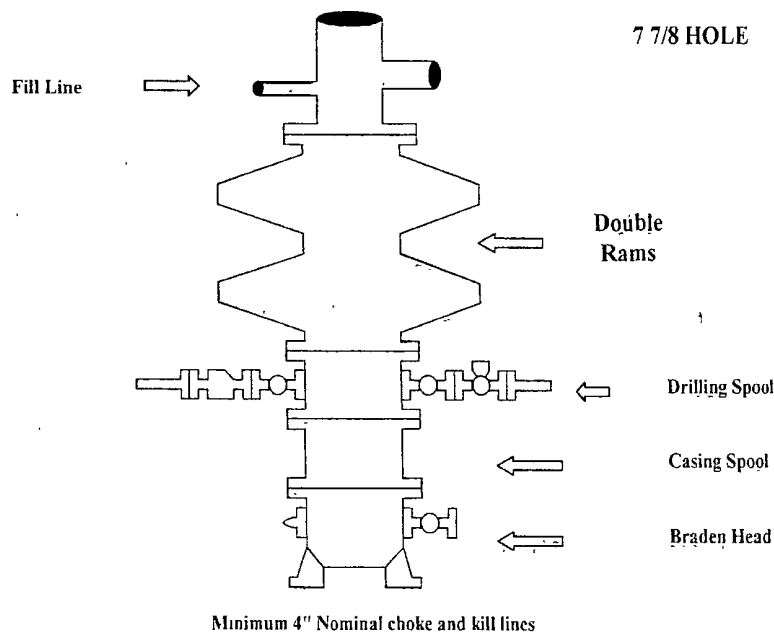
13 5/8" 2K ANNULAR



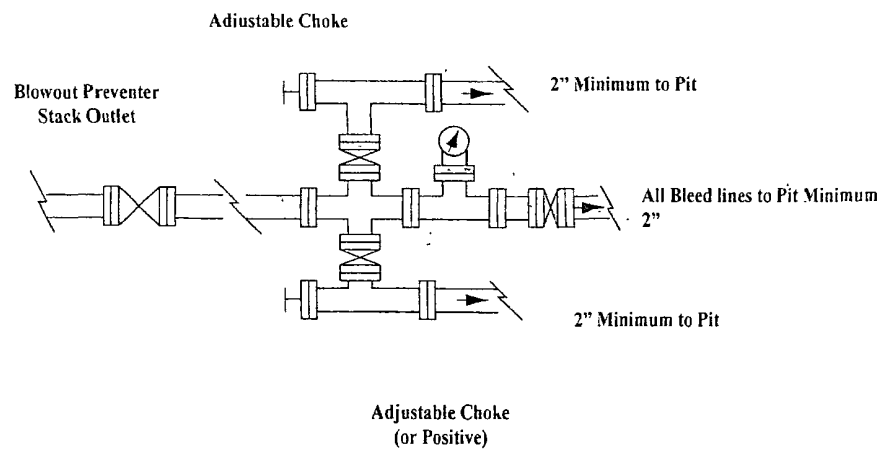
# COG Operating LLC

## Exhibit #9

### BOPE and Choke Schematic



Choke Manifold Requirement (2000 psi WP)  
No Annular Required



**NOTES REGARDING THE BLOWOUT PREVENTERS**  
**Master Drilling Plan**  
**Eddy County, New Mexico**

1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
2. Wear ring to be properly installed in head.
3. Blow out preventer and all fittings must be in good condition, 2000 psi WP minimum.
4. All fittings to be flanged.
5. Safety valve must be available on rig floor at all times with proper connections, valve to be full 2000 psi WP minimum.
6. All choke and fill lines to be securely anchored especially ends of choke lines.
7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
8. Kelly cock on Kelly.
9. Extension wrenches and hands wheels to be properly installed.
10. Blow out preventer control to be located as close to driller's position as feasible.
11. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation all API specifications.

## Closed Loop Operation & Maintenance Procedure

All drilling fluid circulated over shaker(s) with cuttings discharged into roll off container.

Fluid and fines below shaker(s) are circulated with transfer pump through centrifuge(s) or solids separator with cuttings and fines discharged into roll off container.

Fluid is continuously re-circulated through equipment with polymer added to aid separation of cutting fines.

Roll off containers are lined and de-watered with fluids re-circulated into system.

Additional tank is used to capture unused drilling fluid or cement returns from casing jobs.

This equipment will be maintained 24 hrs./day by solids control personnel and or rig crews that stay on location.

Cuttings will be hauled to either:

CRI (permit number R9166)

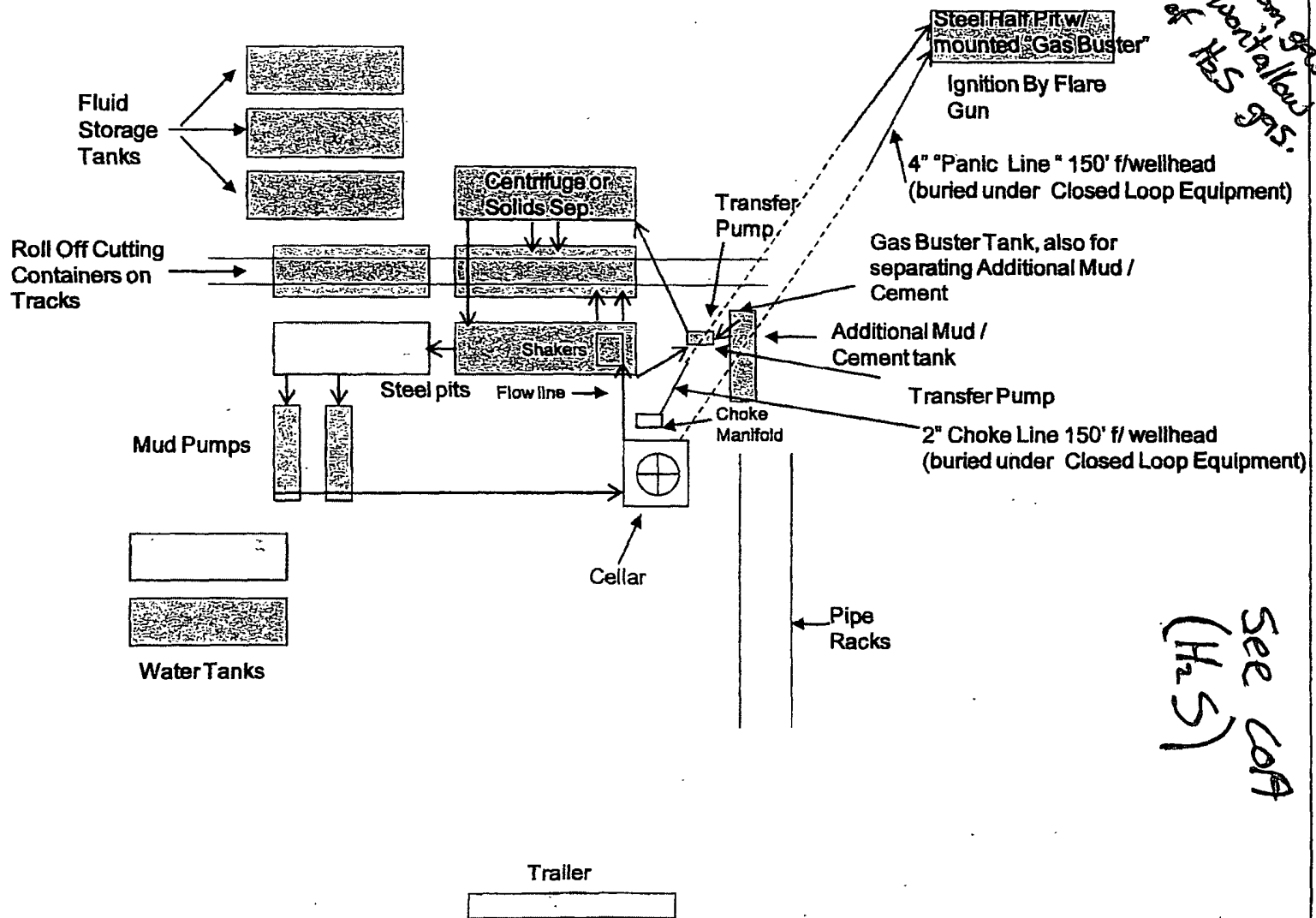
or

GMI (permit number 711-019-001)

dependent upon which rig is available to drill this well.



COG Operating LLC  
Closed Loop Equipment Diagram



## COG Operating LLC

### Hydrogen Sulfide Drilling Operation Plan

#### I. HYDROGEN SULFIDE TRAINING

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S)
2. The proper use and maintenance of personal protective equipment and life support systems.
3. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H<sub>2</sub>S on metal components. If high tensile tubular are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H<sub>2</sub>S zone (within 3 days or 500 feet) and weekly H<sub>2</sub>S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H<sub>2</sub>S Drilling Operations Plan and the Public Protection Plan. **The concentrations of H<sub>2</sub>S of wells in this area from surface to TD are low enough that a contingency plan is not required.**

---

## **II. H2S SAFETY EQUIPMENT AND SYSTEMS**

Note: All H2S safety equipment and systems will be installed, tested, and operational when drilling reaches a depth of 500 feet above, or three days prior to penetrating the first zone containing or reasonable expected to contain H2S.

### **1. Well Control Equipment:**

- A. Flare line.
- B. Choke manifold.
- C. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
- D. Auxiliary equipment may include if applicable: annular preventer & rotating head.

### **2. Protective equipment for essential personnel:**

- A. Mark II Survive air 30-minute units located in the doghouse and at briefing areas, as indicated on well site diagram.

### **3. H2S detection and monitoring equipment:**

- A. 1 portable H2S monitors positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 PPM are reached.

### **4. Visual warning systems:**

- A. Wind direction indicators as shown on well site diagram (Exhibit #8).
- B. Caution/Danger signs (Exhibit #7) shall be posted on roads providing direct access to location. Signs will be painted a high visibility yellow with black lettering of sufficient size to be readable at a reasonable distance from the immediate location. Bilingual signs will be used, when appropriate. See example attached.

### **5. Mud program:**

- A. The mud program has been designed to minimize the volume of H2S circulated to surface. Proper mud weight, safe drilling practices, and the use of H2S scavengers will minimize hazards when penetrating H2S bearing zones.
-

**6. Metallurgy:**

- A. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- B. All elastomers used for packing and seals shall be H2S trim.

**7. Communication:**

- A. Radio communications in company vehicles including cellular telephone and 2-way radio.
- B. Land line (telephone) communication at Office.

**8. Well testing:**

- A. Drill stem testing will be performed with a minimum number of personnel in the immediate vicinity, which are necessary to safely and adequately conduct the test. The drill stem testing will be conducted during daylight hours and formation fluids will not be flowed to the surface. All drill-stem-testing operations conducted in an H2S environment will use the closed chamber method of testing.
- B. There will be no drill stem testing.

**EXHIBIT #7**

**WARNING  
YOU ARE ENTERING AN H2S  
AUTHORIZED PERSONNEL ONLY**

- 1. BEARDS OR CONTACT LENSES NOT ALLOWED
- 2. HARD HATS REQUIRED
- 3. SMOKING IN DESIGNATED AREAS ONLY
- 4. BE WIND CONSCIOUS AT ALL TIMES
- 5. CHECK WITH COG OPERATING FOREMAN AT

**COG OPERATING LLC  
1-432-683-7443  
1-575-746-2010**

**EDDY COUNTY EMERGENCY NUMBERS**

ARTESIA FIRE DEPT. 575-746-5050  
ARTESIA POLICE DEPT. 575-746-5000  
EDDY CO. SHERIFF DEPT. 575-746-9888

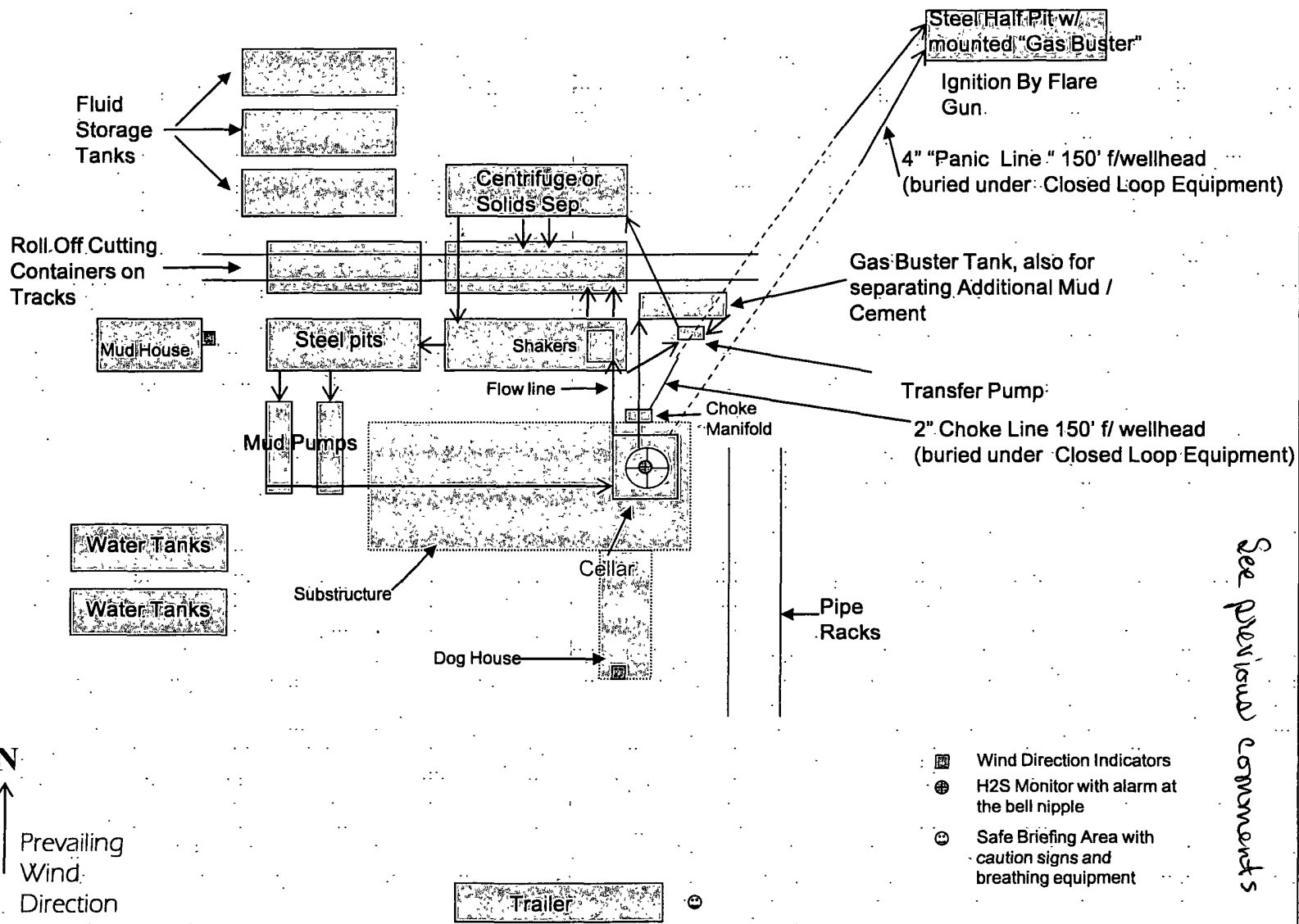
**LEA COUNTY EMERGENCY NUMBERS**

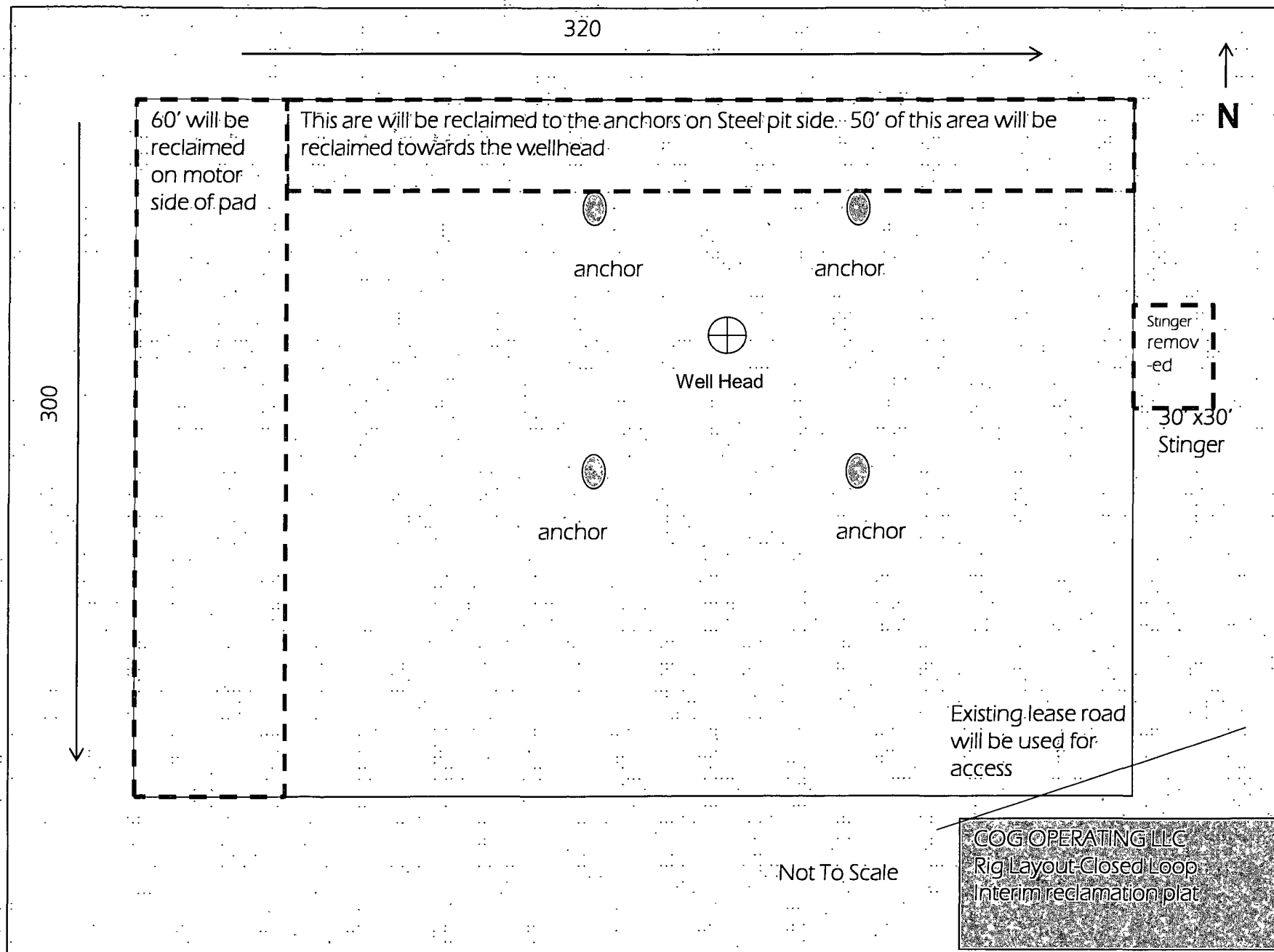
HOBBS FIRE DEPT. 575-397-9308  
HOBBS POLICE DEPT. 575-397-9285  
LEA CO. SHERIFF DEPT. 575-396-1196

COG Operating LLC

# EXHIBIT 8

Drilling Location - H2S Safety Equipment Diagram





# PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG Operating
LEASE NO.:	LC028731B
WELL NAME & NO.:	916H Dodd Federal Unit
SURFACE HOLE FOOTAGE:	488' FNL & 330' FWL
BOTTOM HOLE FOOTAGE:	330' FNL & 330' FEL
LOCATION:	Section 14, T.17 S., R.29 E., NMPM
COUNTY:	Eddy County, New Mexico

## TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- ☐ **General Provisions**
- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
  - Lesser Prairie-Chicken Timing Stipulations
  - Ground-level Abandoned Well Marker
- ☒ **Construction**
  - Notification
  - Topsoil
  - Closed Loop System
  - Federal Mineral Material Pits
  - Well Pads
  - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
  - H2S requirement
  - Logging requirement
  - Waste Material and Fluids
- ☒ **Production (Post Drilling)**
  - Well Structures & Facilities
  - Pipelines
- ☐ **Interim Reclamation**
- ☒ **Final Abandonment & Reclamation**