

OCD Artesia

Form 3160-3  
(March 2012)

Split Estate

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SECRETARY'S POTASH

FORM APPROVED  
OMB No. 1004-0137  
Expires October 31, 2014

TES

## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SHL: State; BHL: NMNM057239	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator COG Operating LLC		7. If Unit or CA Agreement, Name and No.	
3a. Address 2208 West Main Street Artesia, NM 88210		8. Lease Name and Well No. Lizard Pot Federal #5H <39867>	
3b. Phone No. (include area code) 575-748-6940		9. API Well No. 30-015-412455	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1650' FSL & 2210' FEL (NWSE), Section 36-T19S-R31E At proposed prod. zone 330' FSL & 1950' FEL (SWSE), Section 1-T20S-R31E		10. Field and Pool, or Exploratory WC Williams Sink; Bone Spring <97650>	
14. Distance in miles and direction from nearest town or post office* Approximately 18 miles from Maljamar		11. Sec., T. R. M. or Blk. and Survey or Area Section 36 - T19S - R31E	
15. Distance from proposed* 330' location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish Eddy	
16. No. of acres in lease 637.48		13. State NM	
17. Spacing Unit dedicated to this well 159.53			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. SHL: 100' BHL: 3954'		20. BLM/BIA Bond No. on file NMB000740 NMB000215	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3485.4' GL		22. Approximate date work will start* 05/01/2014	
		23. Estimated duration 30 days	

## 24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must 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 must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM.             |

25. Signature <i>Mayte Reyes</i>	Name (Printed/Typed) Mayte Reyes	Date 02/18/2014
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Title  
Regulatory Analyst

Approved by (Signature) <i>/s/ JEANETTE MARTINEZ</i>	Name (Printed/Typed)	Date JUN 12 2014
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Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE
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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 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.

(Continued on page 2)

\*(Instructions on page 2)

NM OIL CONSERVATION  
ARTESIA DISTRICT

JUN 20 2014

Capitan Controlled Water Basin

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECEIVED

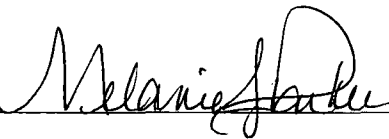
Approval Subject to General Requirements  
& Special Stipulations Attached

Surface Use Plan  
COG Operating LLC  
Lizard Pot Federal #5H  
SHL: 1650' FSL & 2210' FEL    UL J  
Section 36, T19S, R31E  
BHL: 330' FSL & 1950' FEL    UL O  
Section 1, T20S, R31E  
Eddy County, New Mexico

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### OPERATOR CERTIFICATION

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 18<sup>th</sup> day of February, 2014.

Signed: 

Printed Name: Melanie J. Parker

Position: Regulatory Coordinator

Address: 2208 W. Main Street, Artesia, NM 88210

Telephone: (575) 748-6940

Field Representative (if not above signatory): Rand French

E-mail: [mparker@concho.com](mailto:mparker@concho.com)

DISTRICT I  
1625 N. FRENCH DR., HOBBS, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-015 <b>42455</b>	Pool Code 97650	Pool Name WC Williams Sink; Bone Spring
Property Code <b>39867</b>	Property Name LIZARD POT FEDERAL	Well Number 5H
OGRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 3485.4

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	36	19-S	31-E		1650	SOUTH	2210	EAST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	1	20-S	31-E		330	SOUTH	1950	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
159.53			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>NAD 27 <u>SURFACE LOCATION</u> Y=587509.9 N X=657809.8 E LAT.=32.614123° N LONG.=103.820818° W</p>	<p>The map shows a grid of sections. Section 36 is highlighted. The surface location is marked with coordinates Y=587177.8 N, X=657380.1 E. The bottom hole location is marked with coordinates Y=580587.0 N, X=657401.7 E. Acreage values are provided for various lots: 39.24 Ac, 39.56 Ac, 39.87 Ac, 40.14 Ac, and 39.53 Ac. The map also shows the state boundary and the location of the well relative to the state boundary.</p>	<p><b>OPERATOR CERTIFICATION</b> I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Melanie Parker</i> Date: <i>2/18/14</i> Printed Name: <i>Melanie Parker</i> E-mail Address: <i>mparker@concho.com</i></p> <p><b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 14, 2013 Date of Survey: Signature &amp; Seal of Professional Surveyor:  Certificate No. CHAD HARCROW 17777 W.O. # 13-996 DRAWN BY: SP</p>
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DISTRICT I  
1625 N. FRENCH DR., HORRS, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1263 Fax: (505) 748-9720

DISTRICT III  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

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Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code	Pool Name
Property Code	Property Name <b>LIZARD POT FED</b>	Well Number <b>5H</b>
OGRID No.	Operator Name <b>COG OPERATING, LLC</b>	Elevation <b>3485.4</b>

**Surface Location**

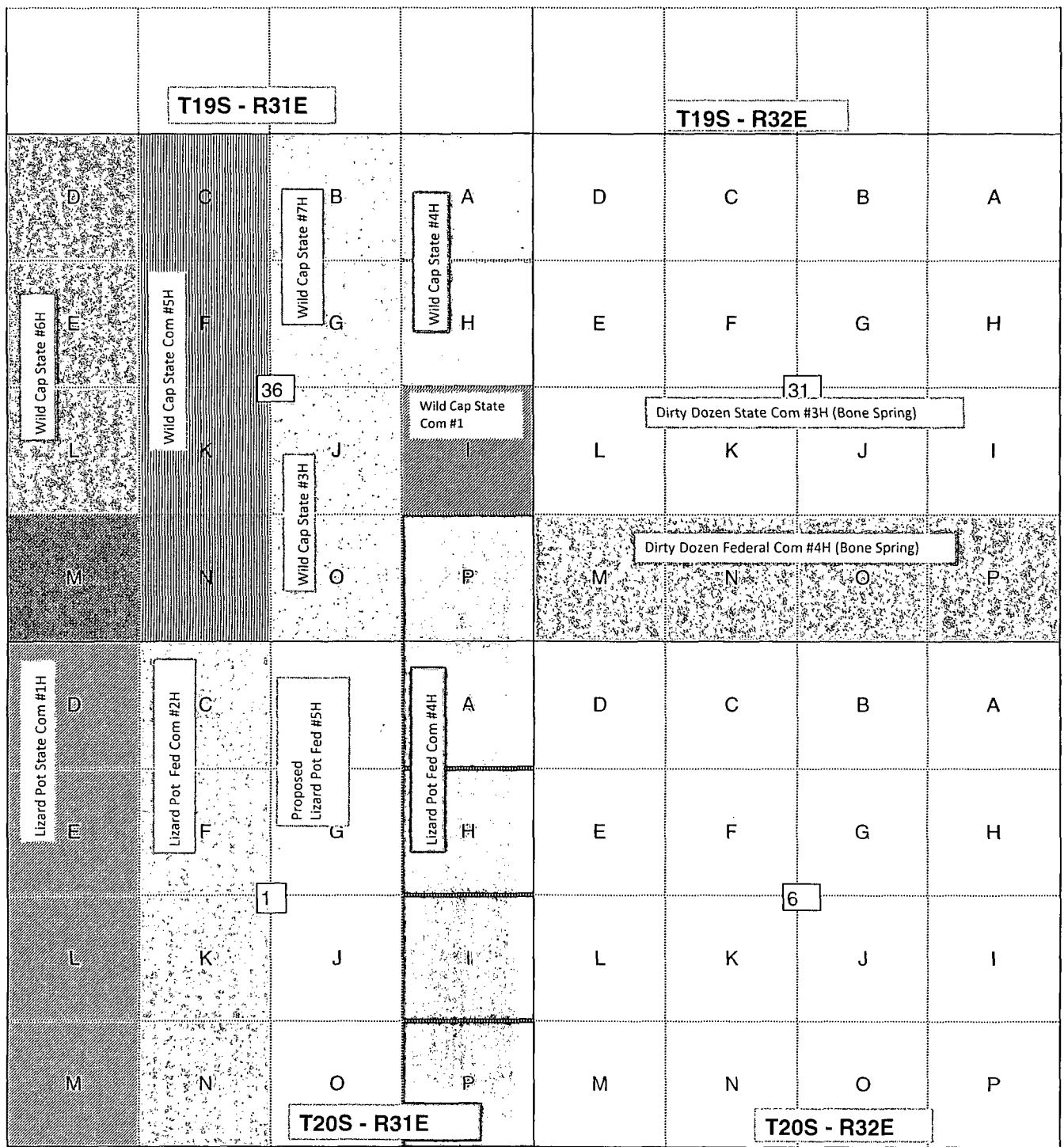
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	36	19-S	31-E		1650	SOUTH	2210	EAST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	1	20-S	31-E		330	SOUTH	1950	EAST	EDDY
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

<p>NAD 27 <u>SURFACE LOCATION</u> Y=587509.9 N X=657809.8 E LAT.=32.614123' N LONG.=103.820818' W</p> <p>NAD 27 <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=580587.0 N X=657401.7 E LAT.=32.596000' N LONG.=103.819972' W</p>	<p>The map shows a grid of sections. Section 36 (T19S, R31E) contains the surface location (S.L.O.) at coordinates Y=587177.8 N, X=657380.1 E. Section 1 (T20S, R31E) contains the proposed bottom hole location (B.H.O.) at coordinates Y=580587.0 N, X=657401.7 E. The map also shows the intersection of the 19th and 20th townships and the 31st and 32nd ranges. Acreage values are provided for each section: 39.24 Ac, 39.56 Ac, 39.87 Ac, and 40.14 Ac. The distance between the S.L.O. and B.H.O. is 17727'34" AZ. - 17727'34" HORZ. DIST. - 6,598.4'. The distance from the S.L.O. to the 2210' line is 2210'. The distance from the B.H.O. to the 1950' line is 1950'.</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 14, 2013</p> <p>Date of Survey _____</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p> CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p>Certificate No. CHAD HARCROW 17777 W.O. # 13-996 DRAWN BY: SP</p>
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**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
1301 W. Grand Avenue, Artesia, NM 88210  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-37581</b>		<sup>2</sup> Pool Code <b>97650</b>		<sup>3</sup> Pool Name <b>WC Williams Sink; Bone Spring</b>	
<sup>4</sup> Property Code <b>308189</b>		<sup>5</sup> Property Name <b>Wild Cap State</b>			<sup>6</sup> Well Number <b>6H</b>
<sup>7</sup> OGRID No. <b>229137</b>		<sup>8</sup> Operator Name <b>COG Operating LLC</b>			<sup>9</sup> Elevation <b>3480'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>36</b>	<b>19S</b>	<b>31E</b>		<b>330</b>	<b>South</b>	<b>380</b>	<b>West</b>	<b>Eddy</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>36</b>	<b>19S</b>	<b>31E</b>		<b>333</b>	<b>North</b>	<b>332</b>	<b>West</b>	<b>Eddy</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

				<sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature Date <b>3/4/11</b>
				Stormi Davis Printed Name sdavis@conchoresources.com E-mail Address
				<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor:
				REFER TO ORIGINAL PLAT Certificate Number

District I  
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1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

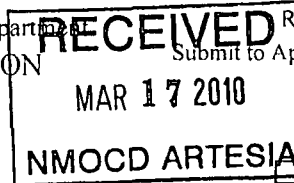
Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies



AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-37144		<sup>2</sup> Pool Code 97650		<sup>3</sup> Pool Name Williams Sink; Bone Spring /	
<sup>4</sup> Property Code 33059		<sup>5</sup> Property Name Wild Cap State Com			<sup>6</sup> Well Number 5H
<sup>7</sup> OGRID No. 14049		<sup>8</sup> Operator Name Marbob Energy Corporation			<sup>9</sup> Elevation 3500'

<sup>10</sup> Surface Location

UL, or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	19S	31E		330	North	2260	West	Eddy

<sup>11</sup> Bottom Hole Location If Different From Surface

UL, or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	36	19S	31E		368	South	2267	West	Eddy

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div data-bbox="74 968 315 1917"> <p>16</p> <p>2260'</p> <p>330'</p> <p>SHL</p> <p>2267'</p> <p>BHL</p> </div>	<div data-bbox="1029 968 1508 1455"> <p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division</p> <p><i>Stormi Davis</i> 3/16/10 Signature Date</p> <p>Stormi Davis Production Assistant Printed Name</p> </div>	
	<div data-bbox="1029 1455 1508 1859"> <p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>REFER TO ORIGINAL PLAT</p> </div>	
	<div data-bbox="1029 1859 1508 1917"> <p>Certificate Number</p> </div>	

*MR*

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1391 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-37265</b>		<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>WC Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>37815</b>	<sup>5</sup> Property Name <b>Wild Cap State</b>		<sup>6</sup> Well Number <b>7H</b>
<sup>7</sup> OGRID No. <b>14049</b>	<sup>8</sup> Operator Name <b>Marbob Energy Corporation</b>		<sup>9</sup> Elevation <b>3498'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>B</b>	Section <b>36</b>	Township <b>19S</b>	Range <b>31E</b>	Lot Idn <b>B</b>	Feet from the <b>330</b>	North/South line <b>North</b>	Feet from the <b>1690</b>	East/West line <b>East</b>	County <b>Eddy</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. <b>G</b>	Section <b>36</b>	Township <b>19S</b>	Range <b>31E</b>	Lot Idn <b>G</b>	Feet from the <b>2301</b>	North/South line <b>North</b>	Feet from the <b>1675</b>	East/West line <b>East</b>	County <b>Eddy</b>
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<sup>12</sup> Dedicated Acres <b>80</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16			1690'	<b><sup>17</sup> OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature	10/18/10 Date
				Stormi Davis Printed Name	Production Assistant Title
				<b><sup>18</sup> SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
				Date of Survey Signature and Seal of Professional Surveyor:  REFER TO ORIGINAL PLAT  Certificate Number	

**RECEIVED**  
OCT 19 2010  
NMOCD ARTESIA



**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
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State of New Mexico  
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Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-015-36032	<sup>2</sup> Pool Code 97650	<sup>3</sup> Pool Name Williams Sink; Bone Spring
<sup>4</sup> Property Code 308189	<sup>5</sup> Property Name Wild Cap State	<sup>6</sup> Well Number 3H
<sup>7</sup> OGRID No. 229137	<sup>8</sup> Operator Name COG Operating LLC	<sup>9</sup> Elevation 3502'

<sup>10</sup> Surface Location

UL or lot no. J	Section 36	Township 19S	Range 31E	Lot Idn	Feet from the 2300	North/South line South	Feet from the 1650	East/West line East	County Eddy
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. O	Section 36	Township 19S	Range 31E	Lot Idn	Feet from the 302	North/South line South	Feet from the 1484	East/West line East	County Eddy
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<sup>12</sup> Dedicated Acres 80	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div style="position: relative; height: 400px;"> <div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%; border: 1px solid black;"></div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> <p>SHL 2300'</p> <p>1650'</p> <p>302'</p> <p>B HL 1484'</p> </div> </div>	<p><sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Stormi Davis</i> 4/4/11 Signature Date</p> <p>Stormi Davis Printed Name</p> <p>sdavis@conchoresources.com E-mail Address</p>
	<p><sup>18</sup> <b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</p>
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>REFER TO ORIGINAL PLAT</p>
	<p>Certificate Number</p>

*dm*

**District I**

1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**

1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**

Form C-102  
 Permit 84670

**Energy, Minerals and Natural Resources****Oil Conservation Division****1220 S. St Francis Dr.****Santa Fe, NM 87505****WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-36750	2. Pool Code 97650	3. Pool Name WC WILLIAMS SINK; BONE SPRING
4. Property Code 36931	5. Property Name WILDCAP STATE	6. Well No. 004H
7. OGRID No. 14049	8. Operator Name MARBOB ENERGY CORP	9. Elevation 3515

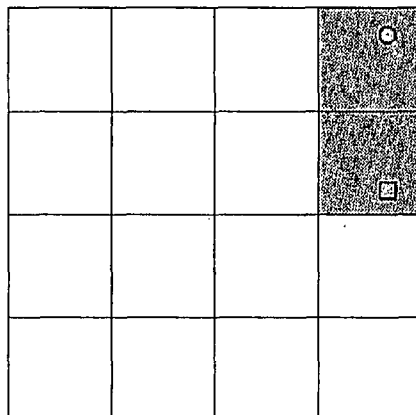
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	36	19S	31E	A	330	N	430	E	EDDY

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	36	19S	31E	H	2310	N	430	E	EDDY
12. Dedicated Acres 80.00		13. Joint or Infill		14. Consolidation Code		15. Order No.			

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Diana Briggs

Title: Production Analyst

Date: 11/6/2008

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

Surveyed By: Ronald Eidson

Date of Survey: 10/27/2008

Certificate Number: 3239

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-33062</b>	<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>308240</b>	<sup>5</sup> Property Name <b>Wild Cap State Com</b>	<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG Operating LLC</b>	<sup>9</sup> Elevation <b>3502'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>1</b>	Section <b>36</b>	Township <b>19S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>1980</b>	North/South line <b>South</b>	Feet from the <b>660</b>	East/West line <b>East</b>	County <b>Eddy</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres <b>40</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division</i>  Signature _____ Date <b>4/1/11</b> <b>Stormi Davis</b> Printed Name <b>sdavis@conchoresources.com</b> E-mail Address	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i>  Date of Survey _____ Signature and Seal of Professional Surveyor _____  <b>REFER TO ORIGINAL PLAT</b>  Certificate Number _____	

*dm*

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate

District Office

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-38107</b>	<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>WC Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>308630</b>	<sup>5</sup> Property Name <b>Lizard Pot State Com</b>	<sup>6</sup> Well Number <b>1H</b>
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG Operating LLC</b>	<sup>9</sup> Elevation <b>3481'</b>

<sup>10</sup> Surface Location




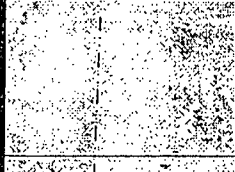
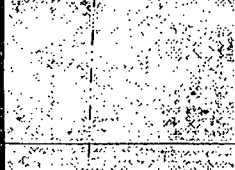

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>36</b>	<b>19S</b>	<b>31E</b>		<b>660</b>	<b>South</b>	<b>660</b>	<b>West</b>	<b>Eddy</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>1</b>	<b>20S</b>	<b>31E</b>		<b>349</b>	<b>South</b>	<b>472</b>	<b>West</b>	<b>Eddy</b>

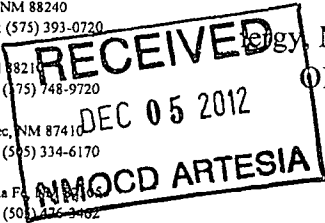
<sup>12</sup> Dedicated Acres <b>200</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup>				<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature 1/28/11 Date Stormi Davis Regulatory Analyst Printed Name
			<b>SEC 36 T19S</b>	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>  Date of Survey Signature and Seal of Professional Surveyor:  REFER TO ORIGINAL PLAT  Certificate Number
			<b>T20S SEC 1</b>	
				
				
				

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FEB 14 2011  
NMOCD ARTESIA

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88211  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462



State of New Mexico  
Geology, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-38146</b>	<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>WC Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>38894</b>	<sup>5</sup> Property Name <b>Lizard Pot Federal Com</b>	<sup>6</sup> Well Number <b>2H</b>
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG Operating LLC</b>	<sup>9</sup> Elevation <b>3481'</b>

<sup>10</sup> Surface Location									
UL or lot no. <b>N</b>	Section <b>36</b>	Township <b>19S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>660</b>	North/South line <b>South</b>	Feet from the <b>1980</b>	East/West line <b>West</b>	County <b>Eddy</b>

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>N</b>	Section <b>1</b>	Township <b>20S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>337</b>	North/South line <b>South</b>	Feet from the <b>2002</b>	East/West line <b>West</b>	County <b>Eddy</b>

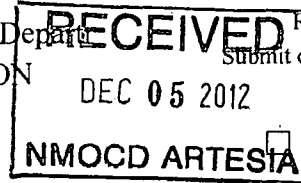
<sup>12</sup> Dedicated Acres <b>200</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup>				<sup>17</sup> OPERATOR CERTIFICATION	
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature	
				11/28/12 Date	
				Stormi Davis Printed Name	
				sdavis@concho.com E-mail Address	
<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.				Date of Survey Signature and Seal of Professional Surveyor:	
REFER TO ORIGINAL PLAT				Certificate Number	

District I  
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Phone: (575) 393-6161 Fax: (575) 393-0720  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*As Drilled*

<sup>1</sup> API Number <b>30-015-38236</b>		<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>WC Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>38894</b>	<sup>5</sup> Property Name <b>Lizard Pot Federal Com</b>		<sup>6</sup> Well Number <b>4H</b>
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG Operating LLC</b>		<sup>9</sup> Elevation <b>3500'</b>

<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>I</b>	<b>36</b>	<b>19S</b>	<b>31E</b>		<b>1650</b>	<b>South</b>	<b>750</b>	<b>East</b>	<b>Eddy</b>

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>1</b>	<b>20S</b>	<b>31E</b>		<b>444</b>	<b>South</b>	<b>616</b>	<b>East</b>	<b>Eddy</b>

<sup>12</sup> Dedicated Acres <b>240</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16				<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature 11/30/12 Date Stormi Davis Printed Name sdavis@concho.com E-mail Address Regulatory Analyst
SEC 36-T19S-R31E  SEC 1-T20S-R31E  Lot 4      Lot 3      Lot 2  Producing Area 11157-15487'				
				<b>18 SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey Signature and Seal of Professional Surveyor:  REFER TO ORIGINAL PLAT Certificate Number

**District I**  
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**District II**  
1301 W. Grand Avenue, Artesia, NM 88210  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-38225</b>		<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>WC Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>38309</b>	<sup>5</sup> Property Name <b>Dirty Dozen State Com</b>		<sup>6</sup> Well Number <b>3H</b>
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG Operating LLC</b>		<sup>9</sup> Elevation <b>3504'</b>

<sup>10</sup> Surface Location

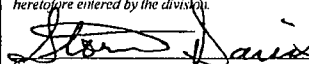
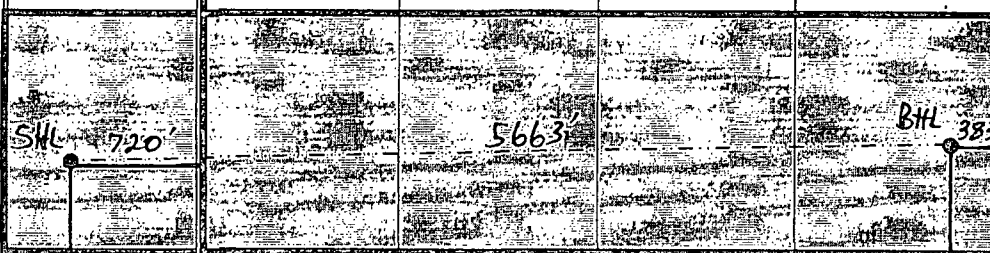
UL or lot no. <b>I</b>	Section <b>36</b>	Township <b>19S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>1810</b>	North/South line <b>South</b>	Feet from the <b>720</b>	East/West line <b>East</b>	County <b>Eddy</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. <b>I</b>	Section <b>31</b>	Township <b>19S</b>	Range <b>32E</b>	Lot Idn	Feet from the <b>1967</b>	North/South line <b>South</b>	Feet from the <b>383</b>	East/West line <b>East</b>	County <b>Lea</b>
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<sup>12</sup> Dedicated Acres <b>200</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> T19S-R31E Eddy Co.  SEC 36	T19S-R32E Lea Co.  SEC 31	<div style="text-align: center;"> <b>RECEIVED</b>          APR 08 2011  <b>NMOCD ARTESIA</b> </div>				<sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature <span style="float: right;">4/8/11</span> Date
						Stormi Davis Printed Name sdavis@conchoresources.com E-mail Address
					<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: <div style="text-align: center; margin-top: 20px;"> <b>REFER TO ORIGINAL PLAT</b> </div>	
					Certificate Number	

**District I**  
1625 N French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax (575) 393-0720  
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1000 Rio Brazos Road, Aztec, NM 87410  
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**District IV**  
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Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
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☒ AMENDED REPORT

**As Drilled**

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-38150</b>		<sup>2</sup> Pool Code <b>97650</b>	<sup>3</sup> Pool Name <b>Williams Sink; Bone Spring</b>
<sup>4</sup> Property Code <b>38895</b>	<sup>5</sup> Property Name <b>Dirty Dozen Federal Com</b>		<sup>6</sup> Well Number <b>4H</b>
<sup>7</sup> OGRID No. <b>229137</b>	<sup>8</sup> Operator Name <b>COG Operating LLC</b>		<sup>9</sup> Elevation <b>3500'</b>

<sup>10</sup> Surface Location

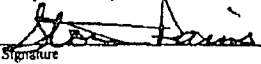
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>1</b>	<b>36</b>	<b>19S</b>	<b>31E</b>		<b>1650</b>	<b>South</b>	<b>660</b>	<b>East</b>	<b>Eddy</b>

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>7</b>	<b>31</b>	<b>19S</b>	<b>32E</b>		<b>407</b>	<b>South</b>	<b>464</b>	<b>East</b>	<b>Lea</b>

<sup>12</sup> Dedicated Acres <b>160</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

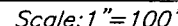
<sup>16</sup> <b>T19S-R31E Eddy Co.</b>  <b>SEC 36</b>	<b>Lot 1</b>  <b>T19S-R32E Lea Co.</b>				<sup>17</sup> <b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well on this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature 11/6/12 Date <b>Stormi Davis</b> Printed Name <b>sdavis@concho.com</b> E-mail Address
	<b>Lot 2</b>				
	<b>Lot 3</b>				
	<b>Lot 4</b> <b>Lot 5</b> <b>Lot 6</b> <b>Lot 7</b>				
<b>660' SHL</b> <b>KOP @ 8820'</b> <b>1650'</b>	<b>Producing Area 10398-14929'</b>				<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey Signature and Seal of Professional Surveyor  <b>REFER TO ORIGINAL PLAT</b>  Certificate Number



## NEW MEXICO



FROM THE INTERSECTION OF LUSK RD AND CR #126A (MALJAMAR RD) GO APPROX. 1.9 MILES SOUTH ALONG MALJAMAR RD; THEN TURN RIGHT (WEST) AND GO APPROX. 1.1 MILES; THEN TURN LEFT (SOUTH) AND GO APPROX. 0.4 MILE; THEN TURN RIGHT (WEST) AND GO APPROX. 0.25 MILE; THEN PROPOSED WELL IS 785 FEET SOUTHWEST.



LIZARD POT FEDERAL #5H  
LOCATED 1650 FEET FROM THE SOUTH LINE  
AND 2210 FEET FROM THE EAST LINE OF SECTION 36,  
TOWNSHIP 19 SOUTH, RANGE 31 EAST, N.M.P.M.,  
EDDY COUNTY, NEW MEXICO

PAGE: 1 OF 1

APPROVED BY: CH

DRAWN BY: SP

**FILE: 13-996**



T 19 S

T 20 S

R 31 E

R 32 E

30

36

31

EXISTING WELL  
WILD CAP ST.#3H

63'

LIZARD POT FED #5H

TOMALJAMAR RD - CR 126A

EDDY COUNTY

LEA COUNTY

# LEGEND

○ WELL

□ WELLPAD

— EXISTING ROAD

— PROPOSED ROAD

WELL NAME: LIZARD POT FED #5H

SEC: 36 TWP: 19 S. RGE: 31 E. ELEVATION: 3485.4'

STATE: NEW MEXICO COUNTY: EDDY 1650' FSL & 2210' FEL

W.O. # 13-996 LEASE: LIZARD POT FED SURVEY: N.M.P.M

0 0.05 0.1 0.2 Miles

1 IN = 750 FT

ROAD MAP

IMAGERY

03/13/2014

SP.

**CONCHO**

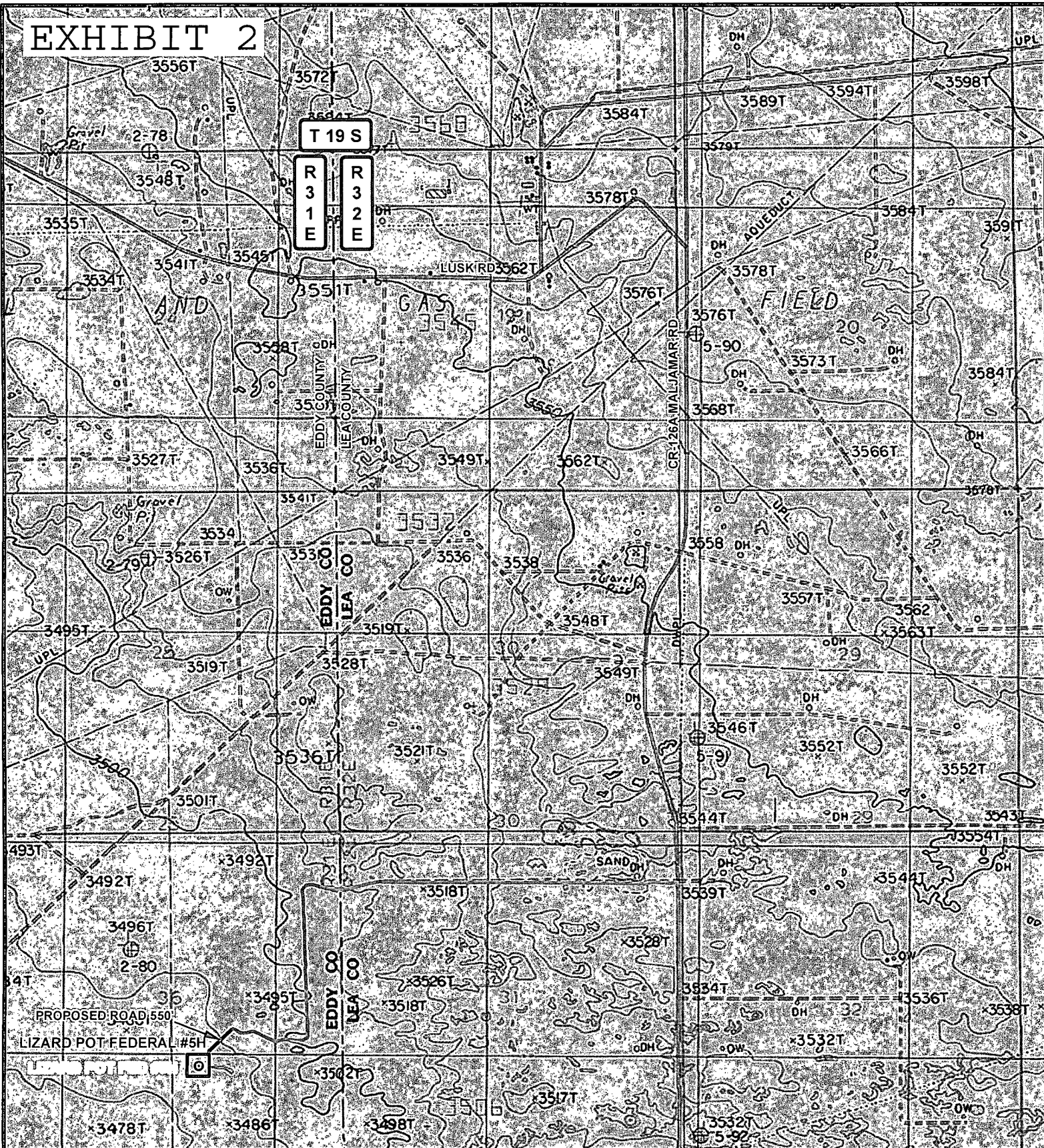
COG OPERATING, LLC

HARCROW SURVEYING, LLC  
1107 WATSON, ARTESIA N.M. 88210  
PH: (575) 513-2570 FAX: (575) 746-2158  
chad\_harcrow77@yahoo.com





# EXHIBIT 2



## LEGEND

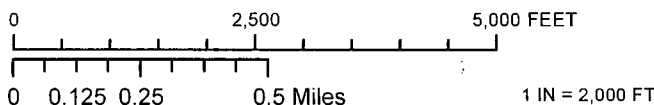
- WELL
- WELLPAD
- EXISTING ROAD
- PROPOSED ROAD

WELL NAME: LIZARD POT FEDERAL #5H

SEC: 36 TWP: 19 S. RGE: 31 E. ELEVATION: 3485.4'

STATE: NEW MEXICO COUNTY: EDDY 1650' FSL & 2210' FEL

W.O. # 13-996 LEASE: LIZARD POT FED SURVEY: N.M.P.M



LOCATION MAP

TOPO

12/17/2013

SP.

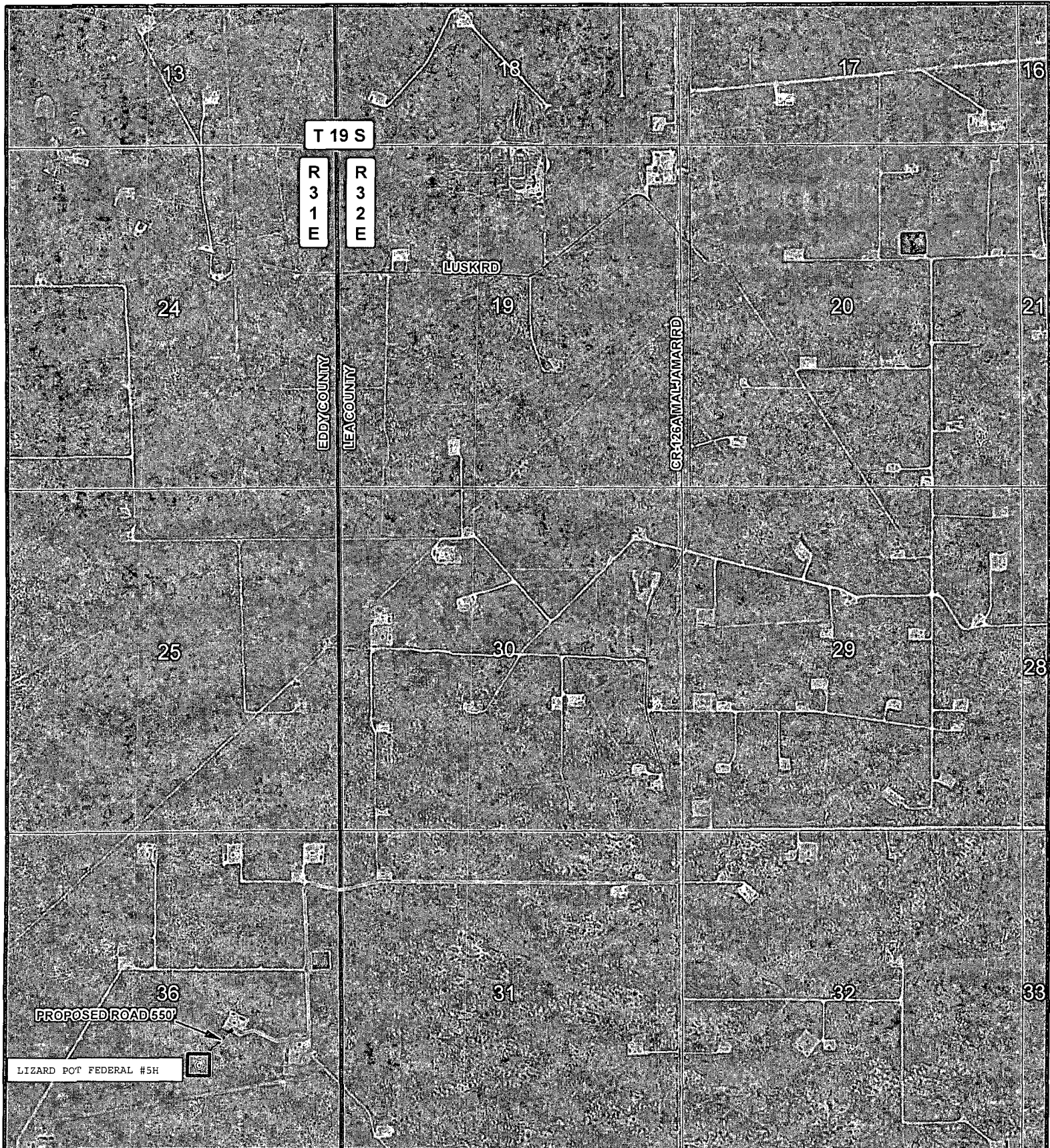
**CONCHO**

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**LEGEND**

- WELL
- WELLPAD
- EXISTING ROAD
- PROPOSED ROAD

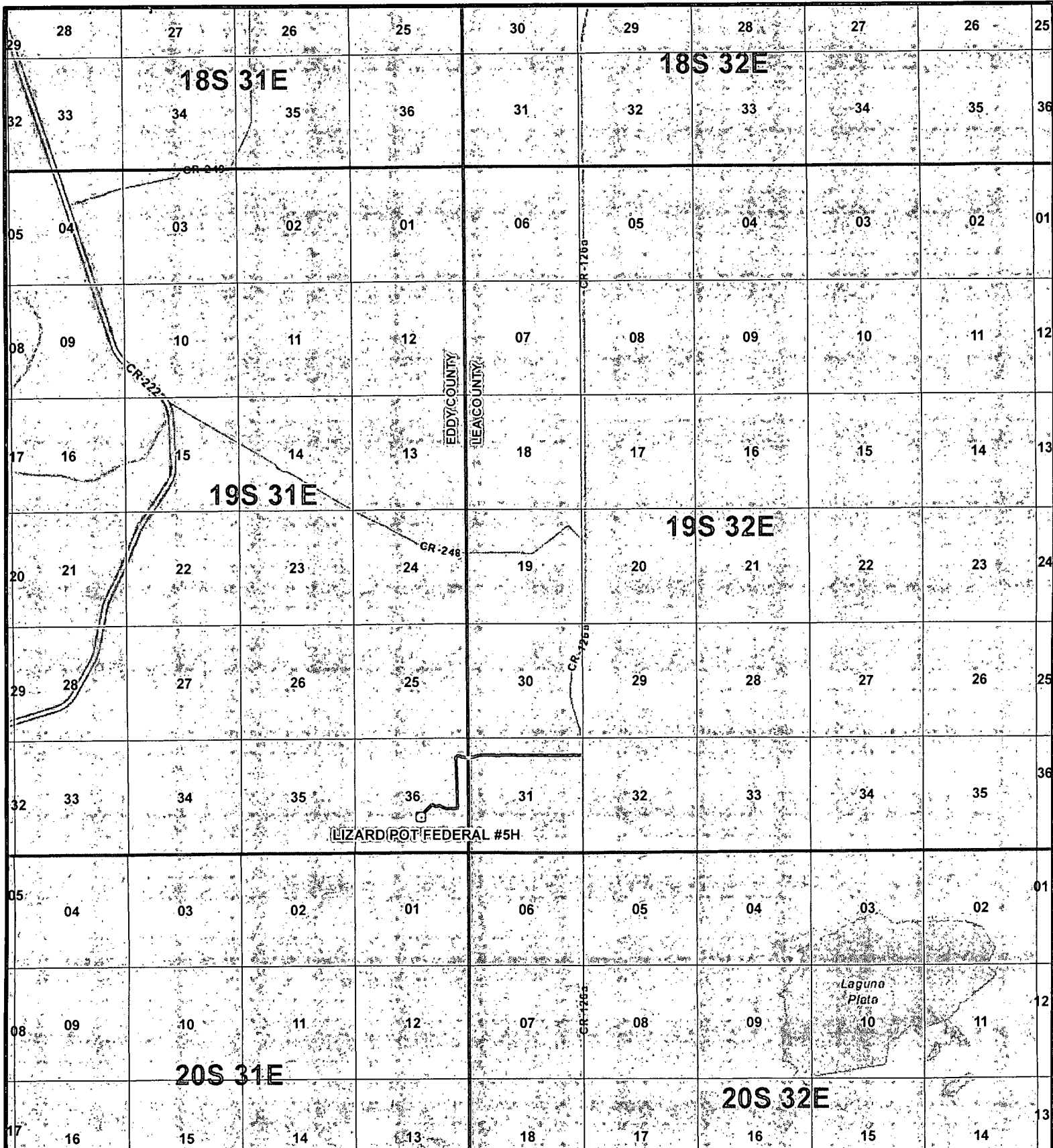
<b>WELL NAME: LIZARD POT FEDERAL #5H</b>			
SEC: 36	TWP: 19 S.	RGE: 31 E.	ELEVATION: 3485.4'
STATE: NEW MEXICO COUNTY: EDDY 1650' FSL & 2210' FEL			
W.O. # 13-996		LEASE: LIZARD POT FED	SURVEY: N.M.P.M
<div><div><div>0</div><div>2,500</div><div>5,000 FEET</div></div><div><div>0</div><div>0.125</div><div>0.25</div><div>0.5 Miles</div></div></div>			
1 IN = 2,000 FT			
LOCATION MAP    IMAGERY    12/17/2013    S.P.			



**CONCHO**  
COG OPERATING, LLC



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chad\_harcrow77@yahoo.com



# LEGEND

- WELL
- WELLPAD
- EXISTING ROAD
- - - PROPOSED ROAD

WELL NAME: LIZARD POT FEDERAL #5H

SEC: 36 TWP: 19 S. RGE: 31 E. ELEVATION: 3485.4'

STATE: NEW MEXICO COUNTY: EDDY 1650' FSL & 2210' FEL

W.O. # 13-996 LEASE: LIZARD POT FED SURVEY: N.M.P.M

0 2,500 5,000 7,500 10,000 12,500 15,000 FEET

0 0.4 0.8 1.6 Miles

1 IN = 6,000 FT

VICINITY MAP

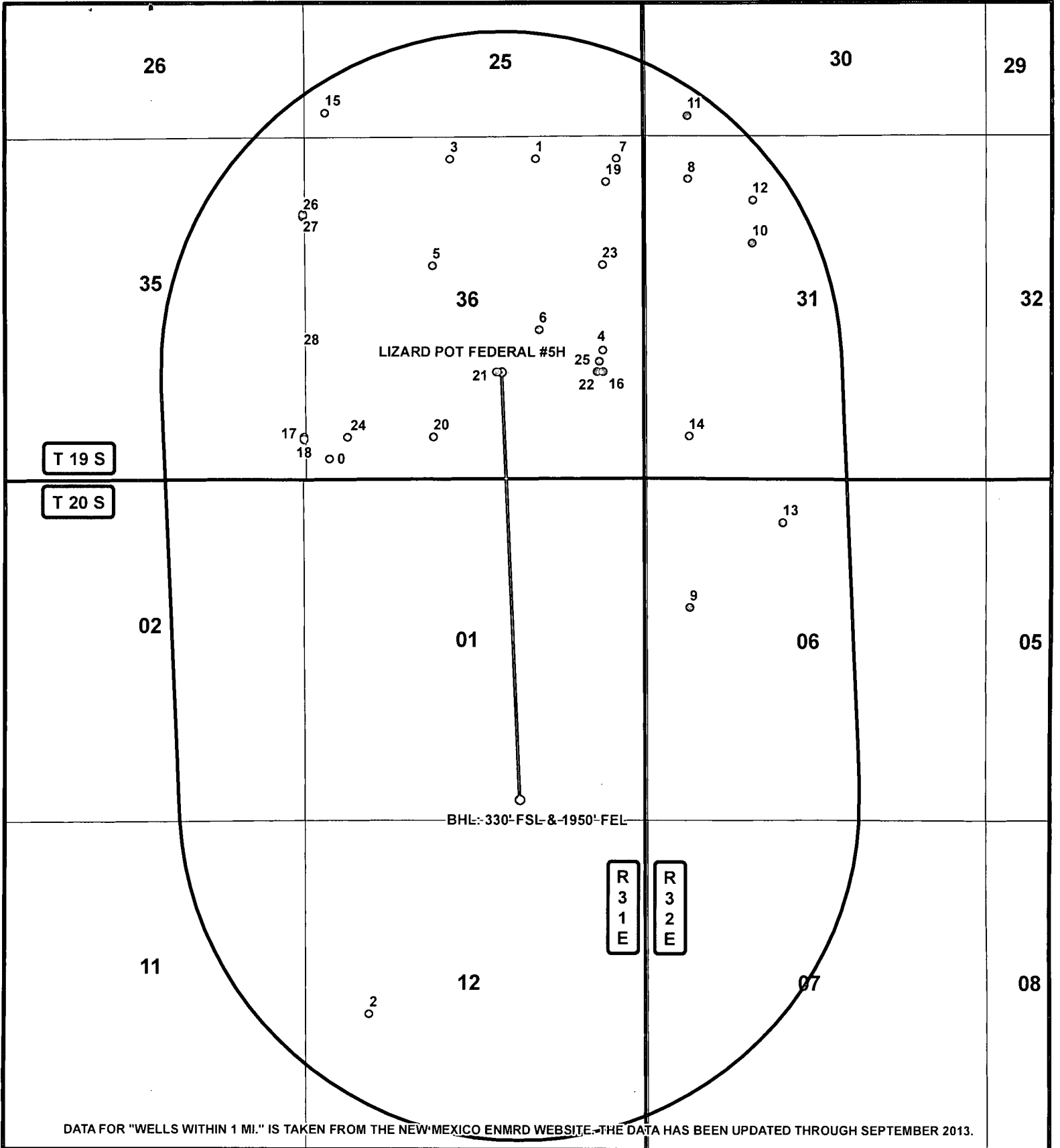
12/17/2013

S.P.

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## LEGEND

- WELL
- BOTTOMHOLE
- WELLS WITHIN 1 MI.

1 MI. BUFFER

WELL NAME: LIZARD POT FEDERAL #5H

SEC: 36 TWP: 19 S. RGE: 31 E. ELEVATION: 3485.4'

STATE: NEW MEXICO COUNTY: EDDY 1650' FSL & 2210' FEL

W.O. # 13-996 LEASE: LIZARD POT FED SURVEY: N.M.P.M

0 2,500 5,000 FEET

0 0.125 0.25 0.5 Miles

1 IN = 2,000 FT

1 MILE MAP

12/17/2013

S.P.

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FID	OPERATOR	WELL_NAME	LATITUDE	LONGITUDE	TOWNSHIP	RANGE	SECTION	FTG_NS	NS_CD	FTG_EW	EW_CD	TVD_DEPTH	COMPL_STAT
0	COG OPERATING LLC	WILD CAP STATE 006H	32.610617	-103.82999	19.0S	31E	36	330 S		380 W		13630	New (Not drilled or compl)
1	COG OPERATING LLC	WILD CAP STATE 007H	32.623326	-103.81961	19.0S	31E	36	330 N		1690 E		10955	New (Not drilled or compl)
2	NEIL WILLS	HALE 002	32.587022	-103.828091	20.0S	31E	12	2310 S		990 W		0	Plugged
3	COG OPERATING LLC	WILD CAP STATE COM 005H	32.623321	-103.823903	19.0S	31E	36	330 N		2260 W		13645	New (Not drilled or compl)
4	COG OPERATING LLC	WILD CAP STATE COM 001	32.615161	-103.816218	19.0S	31E	36	1980 S		660 E		12941	Active
5	COG OPERATING LLC	WILD CAP STATE COM 002	32.618785	-103.824799	19.0S	31E	36	1980 N		1980 W		12950	Active
6	COG OPERATING LLC	WILD CAP STATE 003H	32.616041	-103.819452	19.0S	31E	36	2300 S		1650 E		9354	Active
7	COG OPERATING LLC	WILD CAP STATE 004H	32.623331	-103.815498	19.0S	31E	36	330 N		430 E		11082	New (Not drilled or compl)
8	ENDURANCE RESOURCES LLC	POLEWSKI FEDERAL 001	32.62242	-103.811938	19.0S	32E	31	660 N		660 W		12976	Active
9	SIETE OIL & GAS CORP	KACHINA FEDERAL 001	32.604258	-103.811898	20.0S	32E	6	1980 N		660 W		7460	Plugged
10	ASPEN OIL INC	PRINCESS D 002	32.619691	-103.808697	19.0S	32E	31	1650 N		1650 W		7150	Plugged
11	YATES PETROLEUM CORPORATION	FLOOD AFN FEDERAL 001	32.625141	-103.811948	19.0S	32E	30	330 S		660 W		7270	Active
12	TRITEX RESOURCES, L.L.C.	POLEWSKI FEDERAL 002	32.621505	-103.808678	19.0S	32E	31	990 N		1658 W		7303	Plugged
13	COG OPERATING LLC	CAP FEDERAL 001	32.607847	-103.807194	20.0S	32E	6	660 N		2100 W		12960	Active
14	COG OPERATING LLC	STRING BEAN FEDERAL COM 001	32.611515	-103.811896	19.0S	32E	31	660 S		660 W		12949	Active
15	DEVON ENERGY PRODUCTION COMPANY, LP	SPICA 25 FEDERAL 004H	32.62532	-103.830176	19.0S	31E	25	400 S		340 W		9305	New (Not drilled or compl)
16	COG OPERATING LLC	LIZARD POT FEDERAL 004H	32.614254	-103.816508	19.0S	31E	36	1650 S		750 E		9428	New (Not drilled or compl)
17	BOPCO, L.P.	BIG EDDY UNIT 251H	32.611522	-103.831266	19.0S	31E	35	660 S		10 E		9260	New (Not drilled or compl)
18	BOPCO, L.P.	BIG EDDY UNIT 252H	32.611412	-103.831266	19.0S	31E	35	620 S		10 E		9359	New (Not drilled or compl)
19	COG OPERATING LLC	DIRTY DOZEN STATE COM 001A	32.62231	-103.816053	19.0S	31E	36	701 N		601 E		0	New (Not drilled or compl)
20	COG OPERATING LLC	LIZARD POT FEDERAL 002H	32.61153	-103.824772	19.0S	31E	36	660 S		1980 W		9401	New (Not drilled or compl)
21	COG OPERATING LLC	LIZARD POT FEDERAL COM 003H	32.614254	-103.821599	19.0S	31E	36	1650 S		2310 E		4003	New (Not drilled or compl)
22	COG OPERATING LLC	DIRTY DOZEN FEDERAL COM 004H	32.614254	-103.816214	19.0S	31E	36	1650 S		660 E		9388	New (Not drilled or compl)
23	COG OPERATING LLC	DIRTY DOZEN STATE COM 002H	32.618792	-103.816235	19.0S	31E	36	1981 N		661 E		0	New (Not drilled or compl)
24	COG OPERATING LLC	LIZARD POT FEDERAL COM 001H	32.611525	-103.82908	19.0S	31E	36	660 S		660 W		9278	New (Not drilled or compl)
25	COG OPERATING LLC	DIRTY DOZEN FEDERAL COM 003H	32.614694	-103.816412	19.0S	31E	36	1810 S		720 E		9409	New (Not drilled or compl)
26	BOPCO, L.P.	BIG EDDY UNIT 249H	32.62088	-103.831301	19.0S	31E	35	1215 N		10 E		0	New (Not drilled or compl)
27	BOPCO, L.P.	BIG EDDY UNIT 248H	32.62099	-103.831302	19.0S	31E	35	1175 N		10 E		9	New (Not drilled or compl)
28	BOPCO, L.P.	BIG EDDY UNIT 250H	32.615151	-103.83128	19.0S	31E	35	1980 S		10 E		0	New (Not drilled or compl)

ATTACHMENT TO FORM 3160-3  
COG Operating, LLC  
LIZARD POT FEDERAL #5H  
SHL: 1650' FSL & 2210' FEL, UNIT J  
Sec 36 T19S R31E  
BHL: 330' FSL & 1950' FEL, Unit O  
Sec 1, T20S, R31E  
Eddy County, NM

1. Proration Unit Spacing: 159.53
2. Ground Elevation: 3485.4'
3. Proposed Depths: Horizontal: **EOC (end of curve) TVD=9325' MD= 9616'**  
**Toe (end of lateral) TVD=9400' MD= 15700'**
4. Estimated tops of geological markers:

Fresh Water	130'
Rustler	813'
Top of Salt	892'
BOS/Top of Tansil	2667'
Yates	2846'
Seven Rivers	3114'
Capitan Reef	3172'
BOR/ Cherry Cyn	4342'
Brushy Canyon	5518'
Bone Spring	7214'
1 <sup>st</sup> Bone Spring Sd.	8397'
2 <sup>nd</sup> Bone Spring Sd.	9157'
3 <sup>rd</sup> Bone Spring Sd.	10024'

5. Possible mineral bearing formations:

Yates	2846'	Oil/Gas
Seven Rivers	3114'	Oil/Gas
Capitan Reef	3172'	Brackish Water
BOR/Cherry Canyon	4342'	Oil/Gas
Brushy Canyon	5518'	Oil/Gas
Bone Spring	7214'	Oil/Gas
1 <sup>st</sup> Bone Spring Sd.	8397'	Oil/Gas
2 <sup>nd</sup> Bone Spring Sd.	9157'	Oil/Gas
3 <sup>rd</sup> Bone Spring Sd.	10024'	Oil/Gas

915'

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Setting 20" casing at ~~840'~~ (27' into Rustler) and circulating cement back to the surface will protect the surface fresh water sand. The Salt Section will be protected by setting 13 3/8" casing to 2690' (23' into Tansil) and circulating cement back to surface in a single stage job. The Capitan Reef will be isolated by setting 9 5/8" casing at 4360' (18' into Cherry Canyon) and circulating cement back to surface in a single stage job. Any shallower zones above TD, which contain commercial quantities of oil and/or gas, will have cement circulated across them as described in the following paragraph.



**ATTACHMENT TO FORM 3160-3**  
**COG Operating, LLC**  
**LIZARD POT FEDERAL #5H**  
**Page 2 of 6**

A 8 ¾" open hole will be drilled from 9 5/8" casing shoe to KOP and thru curve. At end of curve (EOC) the open hole will be reduced to 7 7/8" and drilled to TD. At TD 5 ½" production casing will be installed. This casing string will be cemented from the TD to surface in single stage job. 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.

## 6. Proposed Mud System

The well will be drilled to TD with a combination of fresh water, brine, cut brine mud systems. The applicable depths and properties of these systems are as follows:

*See COA*

DEPTH (MD)	TYPE	WEIGHT	VISCOSITY	WATERLOSS
0-840' <del>975'</del>	Fresh Water	8.3-8.8	28	N.C.
840'-2690'	Brine	9.8-10.1	28	N.C.
2690'-4360'	Fresh Water	8.3-9.0	30	N.C.
4360'-8804'	Cut Brine mud	8.7-9.2	30	N.C.
8804'-9616'	Cut Brine mud	8.7-9.2	30	N.C.
9616'-15700'	Cut Brine mud	8.7-9.2	30	N.C.

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

Visual or electronic mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume.

The mud program has been designed to minimize the volume of H<sub>2</sub>S circulated to surface. Proper mud weights, safe drilling practices and the use of H<sub>2</sub>S scavengers will minimize hazards when penetrating H<sub>2</sub>S bearing zones.

**ATTACHMENT TO FORM 3160-3  
COG Operating, LLC  
LIZARD POT FEDERAL #5H  
Page 3 of 6**

**6. Proposed Casing Program**

*See COA*

Hole Size	Interval MD	OD Casing	Weight	Grade	Condition	Jt.	brst/clps/ten
26"	0-840' <i>975'</i>	20" 0-840'	94#	J55	New	ST&C	2.51/1.40/11.40
17 1/2"	840-2690'	13 3/8" 0-1750' 1750'-2690'	54.5# 61.0#	J55 J55	New New	ST&C ST&C	1.56/1.24/6.36 1.15/1.10/4.55**
12 1/4"	2690'-4360'	9 5/8" 0-4360'	40#	J/K55	New	LT&C	2.14/1.29/3.44
8 3/4"	4360'-8804'	5 1/2" 0-8804'	17#	P110	New	LT&C	1.33/1.78/3.46
8 3/4"	8804'-9616'	5 1/2" 8804'-9616'	17#	P110	New	LT&C	1.33/1.63/3.17
7 7/8"	9616'-15700'	5 1/2" 9616'-15700'	17#	P110	New	LT&C	1.33/1.63/3.17

**\*\* Casing will be filled with 10 ppg drilling fluid every 1000' when running in hole.**

**7. Proposed Cement Program**

**20" SURFACE:** (Circulate to Surface)

*See COA  
Need more  
Cement!*

		<u>Description</u>	<u>Yield</u>	<u>Density</u>	<u>Water Requirements</u>
<i>975'</i>					
Tail: 0'-840'	400 sks	Class "C" w/2% CaCl2	1.32 cf/sk	14.8 ppg	6.3 gal/sk.
Excess 123%					

**13 3/8" INTERMEDIATE:** (Circulate to Surface)

Lead:						
0'-2000'	1500 sks	Class "C"+ 4% Gel+	1.75 cf/sk	13.5 ppg	9.2 gal/sk.	
Excess 58%		2% CaCl2+ 0.25 ppsCF				
Tail:	550 sks	Class C w/2% CaCl2	1.32 cf/sk	14.8 ppg	6.3 gal/sk.	
2000'-2690'						
Excess 41%						

Combined Excess 54%

**ATTACHMENT TO FORM 3160-3**  
**COG Operating, LLC**  
**LIZARD POT FEDERAL #5H**  
**Page 4 of 6**

**9 5/8" INTERMEDIATE:**

**Single Stage: (Circulate to Surface)**

		<u>Description</u>	<u>Yield</u>	<u>Density</u>	<u>Water Requirement</u>
1st Lead:	500 sks	50:50:10 C:Poz:Gel	2.45 cf/sk	11.8 ppg	14.4 gal/sk.
0'-2690'		w/ 5% Salt+ 0.25% CF			
Excess 21%		+5 pps LCM			
2 <sup>nd</sup> Lead:	250 sks	50:50:10 C:Poz:Gel	2.45 cf/sk	11.8 ppg	14.4 gal/sk.
2690'-3500'		w/ 5% Salt+ 0.25% CF			
Excess 141%		+5 pps LCM			
Tail:	350 sks	Class C w/2% CaCl <sub>2</sub>	1.32 cf/sk	14.8 ppg	6.3 gal/sk.
3500'-4360'					
Excess 61%					

Combined excess 72%

**5 1/2" PRODUCTION CASING:**

Single Stage: (Cement cal to surface) *Cement must tie back 50' above Capitan Reef -*  
 (Minimum tie-back 200' above 9-5/8" casing shoe)

*See COA*

1st Lead:	750 sks	EconoCem-H+	2.51 cf/sk	11.9 ppg	14.2 gal/sk.
0'-5000'		0.5% Halad-322+			
Excess 45%		5 pps Kol-Seal+			
		0.25 pps D-Air 5000+			
		0.2% HR-601			
2 <sup>nd</sup> Lead:	450 sks	EconoCem-H+	2.51 cf/sk	11.9 ppg	14.2 gal/sk.
5000'-8804'		0.5% Halad-322+			
Excess 18%		5 pps Kol-Seal+			
		0.25 pps D-Air 5000+			
		0.2% HR-601			
Tail:	1200 sks	VersaCem+0.4% GasStop	1.24 cf/sk	14.4 ppg	5.7 gal/sk.
8804'-15700'		+0.3% CFR-3+1% Salt+			
Excess 18%		0.1% HR-601			

Combined Lead & Tail Excess: 49%

**ATTACHMENT TO FORM 3160-3**  
**COG Operating, LLC**  
**LIZARD POT FEDERAL #5H**  
**Page 5 of 6**

**8. Pressure Control Equipment:**

A maximum anticipated surface pressure of 520 psi is possible while drilling the 17 ½" intermediate hole. Therefore a 20" X 2000 psi annular BOP will be installed on the 20" casing with 2000 psi mud cross, choke manifold, chokes, kill line, Kelly cock, safety valve and subs to fit all drill strings in use. (see attached BOPE drawings). This equipment will be used to TD of 17 ½" hole. This unit will be hydraulically operated and will be tested with independent tester to 1000 psig. Choke line valve, chokes, upper Kelly cock valve, safety valve shall also be tested to 2000 psig with independent tester.

A maximum anticipated surface pressure of 2068 psi is possible at TD. The drilling rig scheduled for this well has the following BOP Equipment: 13 5/8" 5000 psi Hydril type annular preventer and 13 5/8" 5000 psi double ram BOP (pipe & blind rams) with 5000 psi mud cross, choke manifold, chokes, kill line, Kelly cock, safety valve and subs to fit all drill strings in use. (see attached BOPE drawings). This equipment will be nipped up on the 13 5/8" casing head after cementing the 13 3/8" casing and used to TD. This unit will be hydraulically operated and will be tested by independent tester using test plug to 250 psig/300 psig low and 3000 psig high. Annular preventer will be tested to 250 psig/300 psig and 1500 psig. Choke line valve, chokes, upper Kelly cock valve, safety valve shall also be tested to 250 psig/300 psig low and 3000 psig high by independent tester.

This same BOP stack will be used continuously until total depth is reached. Double ram BOP will be retested to 250 psig / 300 psig low and 3000 psig high by independent tester after setting 9 5/8" casing. Annular will also be retested to 1500 psig. 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. Any time a component of the BOP stack or choke manifold is changed or installed BOPE will be re-tested as required.

**Note:** as per Onshore Order #2 D.1 "if an operator chooses to use higher rated equipment than that authorized in the Application for Permit to Drill (APD), testing procedures shall apply to the approved working pressures, not the upgraded higher working pressures" therefore test pressures of 3000 psig for dual rams & 1500 psig for annular will be followed.

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psig, whichever is greater, but not to exceed 70 percent of casing's minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action will be taken.

**9. Production Hole Drilling Summary:**

**Drill 8¾" hole to 8804'. Kick off at +/- 8804', building curve at 11°/100' to 89.29° inclination, 177.46° az at 9616' MD/9325'TVD. Reduce hole size and drill 7 7/8" lateral section in a southerly direction (az177.46°) for +/-6084' lateral to TD at +/-15700' MD, 9400' TVD. Run 5-1/2" production casing from surface to TD. 5 ½" casing will be isolated by a single stage cement job. Cement calculated to surface. Minimum tie-back 200' above 9 5/8" casing shoe.**

**ATTACHMENT TO FORM 3160-3**  
**COG Operating, LLC**  
**LIZARD POT FEDERAL #5H**  
**Page 6 of 6**

10. 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.

11. Logging, Testing and Coring Program:

- A. The following cased hole logs will be run in the vertical portion of the hole to surface: GR/CNL
- B. The mud logging program will consist of lagged 10' samples from 9 5/8" csg shoe to TD.
- C. Drill Stem test is not anticipated.
- D. No conventional coring is anticipated.
- E. Further testing procedures will be determined after the 5 1/2" production casing has been cemented at TD based on drill shows and log evaluation.

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

*See COA*

No abnormal pressures or temperatures are anticipated. The estimated bottom hole temperature at TD is 112° Fahrenheit and estimated maximum bottom hole pressure is 4070 psi. Wells in the this area will penetrate formations that are known or could reasonably be expected to contain Hydrogen Sulfide. Therefore, a H<sub>2</sub>S drilling operations plan is included with this APD. Hydrogen sulfide detection equipment will be operational and breathing equipment will be on location after drilling out the 20" casing shoe and until the 5 1/2" casing is cemented. If while drilling the 17 1/2" & 12 1/4" intermediate hole sections and 8 3/4" & 7 7/8" production hole sections H<sub>2</sub>S concentrations exceed 100 ppm the well will be shut-in and a remote operated choke installed. COG will comply with Onshore Order #6. All BOPE testing companies used by COG have H<sub>2</sub>S certified employees and will work on H<sub>2</sub>S locations. No major loss circulation zones have been reported in offsetting wells.

13. Anticipated Starting Date

Drilling operations will commence approximately on April 30, 2014 with drilling and completion, operations lasting approximately 90 days.

GEG 2.11.14

# COG OPERATING, LLC

Eddy County, NM

Lizard Pot Fed 5H

5H

Lateral

Plan: Plan #1

## Standard Planning Report

05 February, 2014

### Section Distances

Sec36,T19S,R31E

SHL - Unit J

1649.8'FSL, 2209.6'FEL

Sec1,T20S,R31E

PP

330.0'FNL, 2134.4'FEL

PBHL - Unit O

330.0'FSL, 1950.0'FEL

# Archer

## Planning Report

Database:	EDM-R5000-1-MULTI	Local Co-ordinate Reference:	Well: 5H
Company:	COG OPERATING, LLC	TVD Reference:	3485 GK+19'KB @ 3504.00usft (Planning)
Project:	Eddy County, NM	MD Reference:	3485 GK+19'KB @ 3504.00usft (Planning)
Site:	Lizard Pot Fed 5H	North Reference:	Grid
Well:	5H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral		
Design:	Plan #1		

Project:	Eddy County, NM		
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:	Lizard Pot Fed 5H		
Site Position:		Northing:	587,509.90 usft
From:	Map	Easting:	657,809.80 usft
Position Uncertainty:	0.00 usft	Slot Radius:	13.200 in
		Latitude:	32° 36' 50.84 N
		Longitude:	103° 49' 14.95 W
		Grid Convergence:	0.28 °

Well:	5H					
Well Position	+N/-S	0.00 usft	Northing:	587,509.90 usft	Latitude:	32° 36' 50.84 N
	+E/-W	0.00 usft	Easting:	657,809.80 usft	Longitude:	103° 49' 14.95 W
Position Uncertainty		0.00 usft	Wellhead Elevation:		Ground Level:	3,485.00 usft

Wellbore:	Lateral
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Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	2/5/2014	7.41	60.44	48,559

Design:	Plan #1
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Audit Notes:				
Version:	Phase:	PROTOTYPE	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	177.46

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	
8,804.17	0.00	0.00	8,804.17	0.00	0.00	0.00	0.00	0.00	0.00	
9,615.93	89.29	177.46	9,325.00	-513.94	22.81	11.00	11.00	0.00	177.46	
15,700.33	89.29	177.46	9,400.00	-6,591.90	292.50	0.00	0.00	0.00	0.00	Lizard Pot 1H PBHL

# Archer

## Planning Report

Database:	EDM-R5000.1 MULTI	Local Co-ordinate Reference:	Well: 5H
Company:	COG OPERATING, LLC	TVD Reference:	3485'GK+19'KB @ 3504.00usft (Planning)
Project:	Eddy County, NM	MD Reference:	3485'GK+19'KB @ 3504.00usft (Planning)
Site:	Lizard Pot Fed 5H	North Reference:	Grid
Well:	5H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral		
Design:	Plan #1		

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
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00



# Archer Planning Report

Database:	EDM R5000-1 MULTI	Local Co-ordinate Reference:	Well 5H
Company:	COG OPERATING, LLC	TVD Reference:	3485 GK+19 KB @ 3504.00usft (Planning)
Project:	Eddy County, NM	MD Reference:	3485 GK+19 KB @ 3504.00usft (Planning)
Site:	Lizard Pot Fed 5H	North Reference:	Grid
Well:	5H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral		
Design:	Plan # 1		

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)	
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,500.00	0.00	0.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,600.00	0.00	0.00	6,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,800.00	0.00	0.00	6,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
6,900.00	0.00	0.00	6,900.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,000.00	0.00	0.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,100.00	0.00	0.00	7,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,200.00	0.00	0.00	7,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,300.00	0.00	0.00	7,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,400.00	0.00	0.00	7,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,500.00	0.00	0.00	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,600.00	0.00	0.00	7,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,700.00	0.00	0.00	7,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,800.00	0.00	0.00	7,800.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,900.00	0.00	0.00	7,900.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,000.00	0.00	0.00	8,000.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,100.00	0.00	0.00	8,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,200.00	0.00	0.00	8,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,300.00	0.00	0.00	8,300.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,400.00	0.00	0.00	8,400.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,500.00	0.00	0.00	8,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,600.00	0.00	0.00	8,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,700.00	0.00	0.00	8,700.00	0.00	0.00	0.00	0.00	0.00	0.00	
8,804.17	0.00	0.00	8,804.17	0.00	0.00	0.00	0.00	0.00	0.00	
Start Build 11.00										
8,850.00	5.04	177.46	8,849.94	-2.01	0.09	2.02	11.00	11.00	0.00	
8,900.00	10.54	177.46	8,899.46	-8.78	0.39	8.79	11.00	11.00	0.00	
8,950.00	16.04	177.46	8,948.10	-20.26	0.90	20.28	11.00	11.00	0.00	
9,000.00	21.54	177.46	8,995.42	-36.35	1.61	36.38	11.00	11.00	0.00	
9,050.00	27.04	177.46	9,040.97	-56.89	2.52	56.94	11.00	11.00	0.00	
9,100.00	32.54	177.46	9,084.35	-81.70	3.63	81.78	11.00	11.00	0.00	
9,150.00	38.04	177.46	9,125.15	-110.54	4.91	110.65	11.00	11.00	0.00	
9,200.00	43.54	177.46	9,162.99	-143.16	6.35	143.31	11.00	11.00	0.00	
9,250.00	49.04	177.46	9,197.52	-179.26	7.95	179.43	11.00	11.00	0.00	
9,300.00	54.54	177.46	9,228.44	-218.49	9.70	218.71	11.00	11.00	0.00	
9,350.00	60.04	177.46	9,255.44	-260.51	11.56	260.76	11.00	11.00	0.00	
9,400.00	65.54	177.46	9,278.30	-304.91	13.53	305.21	11.00	11.00	0.00	
9,450.00	71.04	177.46	9,296.78	-351.30	15.59	351.65	11.00	11.00	0.00	
9,500.00	76.54	177.46	9,310.73	-399.25	17.72	399.64	11.00	11.00	0.00	
9,550.00	82.04	177.46	9,320.02	-448.31	19.89	448.75	11.00	11.00	0.00	
9,600.00	87.54	177.46	9,324.56	-498.04	22.10	498.53	11.00	11.00	0.00	
9,615.93	89.29	177.46	9,325.00	-513.94	22.81	514.45	11.00	11.00	0.00	

# Archer

## Planning Report

Database:	EDM-R5000.1 MULTI	Local Co-ordinate Reference:	Well: 5H
Company:	COG OPERATING, LLC	TVD Reference:	3485'GK+19'KB @ 3504.00usft (Planning)
Project:	Eddy County, NM	MD Reference:	3485'GK+19'KB @ 3504.00usft (Planning)
Site:	Lizard Pot Fed 5H	North Reference:	Grid
Well:	5H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral		
Design:	Plan #1		

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)
Start 6084.40 hold at 9615.93 MD									
9,700.00	89.29	177.46	9,326.03	-597.93	26.53	598.52	0.00	0.00	0.00
9,800.00	89.29	177.46	9,327.27	-697.82	30.96	698.51	0.00	0.00	0.00
9,900.00	89.29	177.46	9,328.50	-797.72	35.40	798.50	0.00	0.00	0.00
10,000.00	89.29	177.46	9,329.73	-897.61	39.83	898.49	0.00	0.00	0.00
10,100.00	89.29	177.46	9,330.97	-997.50	44.26	998.49	0.00	0.00	0.00
10,200.00	89.29	177.46	9,332.20	-1,097.40	48.69	1,098.48	0.00	0.00	0.00
10,300.00	89.29	177.46	9,333.43	-1,197.29	53.13	1,198.47	0.00	0.00	0.00
10,400.00	89.29	177.46	9,334.66	-1,297.19	57.56	1,298.46	0.00	0.00	0.00
10,500.00	89.29	177.46	9,335.90	-1,397.08	61.99	1,398.46	0.00	0.00	0.00
10,600.00	89.29	177.46	9,337.13	-1,496.97	66.42	1,498.45	0.00	0.00	0.00
10,700.00	89.29	177.46	9,338.36	-1,596.87	70.86	1,598.44	0.00	0.00	0.00
10,800.00	89.29	177.46	9,339.59	-1,696.76	75.29	1,698.43	0.00	0.00	0.00
10,900.00	89.29	177.46	9,340.83	-1,796.66	79.72	1,798.42	0.00	0.00	0.00
11,000.00	89.29	177.46	9,342.06	-1,896.55	84.15	1,898.42	0.00	0.00	0.00
11,100.00	89.29	177.46	9,343.29	-1,996.45	88.59	1,998.41	0.00	0.00	0.00
11,200.00	89.29	177.46	9,344.52	-2,096.34	93.02	2,098.40	0.00	0.00	0.00
11,300.00	89.29	177.46	9,345.76	-2,196.23	97.45	2,198.39	0.00	0.00	0.00
11,400.00	89.29	177.46	9,346.99	-2,296.13	101.89	2,298.39	0.00	0.00	0.00
11,500.00	89.29	177.46	9,348.22	-2,396.02	106.32	2,398.38	0.00	0.00	0.00
11,600.00	89.29	177.46	9,349.46	-2,495.92	110.75	2,498.37	0.00	0.00	0.00
11,700.00	89.29	177.46	9,350.69	-2,595.81	115.18	2,598.36	0.00	0.00	0.00
11,800.00	89.29	177.46	9,351.92	-2,695.70	119.62	2,698.36	0.00	0.00	0.00
11,900.00	89.29	177.46	9,353.15	-2,795.60	124.05	2,798.35	0.00	0.00	0.00
12,000.00	89.29	177.46	9,354.39	-2,895.49	128.48	2,898.34	0.00	0.00	0.00
12,100.00	89.29	177.46	9,355.62	-2,995.39	132.91	2,998.33	0.00	0.00	0.00
12,200.00	89.29	177.46	9,356.85	-3,095.28	137.35	3,098.33	0.00	0.00	0.00
12,300.00	89.29	177.46	9,358.08	-3,195.17	141.78	3,198.32	0.00	0.00	0.00
12,400.00	89.29	177.46	9,359.32	-3,295.07	146.21	3,298.31	0.00	0.00	0.00
12,500.00	89.29	177.46	9,360.55	-3,394.96	150.64	3,398.30	0.00	0.00	0.00
12,600.00	89.29	177.46	9,361.78	-3,494.86	155.08	3,498.30	0.00	0.00	0.00
12,700.00	89.29	177.46	9,363.02	-3,594.75	159.51	3,598.29	0.00	0.00	0.00
12,800.00	89.29	177.46	9,364.25	-3,694.64	163.94	3,698.28	0.00	0.00	0.00
12,900.00	89.29	177.46	9,365.48	-3,794.54	168.37	3,798.27	0.00	0.00	0.00
13,000.00	89.29	177.46	9,366.71	-3,894.43	172.81	3,898.27	0.00	0.00	0.00
13,100.00	89.29	177.46	9,367.95	-3,994.33	177.24	3,998.26	0.00	0.00	0.00
13,200.00	89.29	177.46	9,369.18	-4,094.22	181.67	4,098.25	0.00	0.00	0.00
13,300.00	89.29	177.46	9,370.41	-4,194.12	186.10	4,198.24	0.00	0.00	0.00
13,400.00	89.29	177.46	9,371.64	-4,294.01	190.54	4,298.23	0.00	0.00	0.00
13,500.00	89.29	177.46	9,372.88	-4,393.90	194.97	4,398.23	0.00	0.00	0.00
13,600.00	89.29	177.46	9,374.11	-4,493.80	199.40	4,498.22	0.00	0.00	0.00
13,700.00	89.29	177.46	9,375.34	-4,593.69	203.83	4,598.21	0.00	0.00	0.00
13,800.00	89.29	177.46	9,376.57	-4,693.59	208.27	4,698.20	0.00	0.00	0.00
13,900.00	89.29	177.46	9,377.81	-4,793.48	212.70	4,798.20	0.00	0.00	0.00
14,000.00	89.29	177.46	9,379.04	-4,893.37	217.13	4,898.19	0.00	0.00	0.00
14,100.00	89.29	177.46	9,380.27	-4,993.27	221.56	4,998.18	0.00	0.00	0.00
14,200.00	89.29	177.46	9,381.51	-5,093.16	226.00	5,098.17	0.00	0.00	0.00
14,300.00	89.29	177.46	9,382.74	-5,193.06	230.43	5,198.17	0.00	0.00	0.00
14,400.00	89.29	177.46	9,383.97	-5,292.95	234.86	5,298.16	0.00	0.00	0.00
14,500.00	89.29	177.46	9,385.20	-5,392.84	239.29	5,398.15	0.00	0.00	0.00
14,600.00	89.29	177.46	9,386.44	-5,492.74	243.73	5,498.14	0.00	0.00	0.00
14,700.00	89.29	177.46	9,387.67	-5,592.63	248.16	5,598.14	0.00	0.00	0.00
14,800.00	89.29	177.46	9,388.90	-5,692.53	252.59	5,698.13	0.00	0.00	0.00
14,900.00	89.29	177.46	9,390.13	-5,792.42	257.03	5,798.12	0.00	0.00	0.00

# Archer

## Planning Report

Database:	EDM R5000.1 MULTI	Local Co-ordinate Reference:	Well: 5H
Company:	COG OPERATING, LLC	TVD Reference:	3485 GK+ 19' KB @ 3504.00usft (Planning)
Project:	Eddy County, NM	MD Reference:	3485 GK+ 19' KB @ 3504.00usft (Planning)
Site:	Lizard Pot Fed 5H	North Reference:	Grid
Well:	5H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Lateral		
Design:	Plan #1		

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)	
15,000.00	89.29	177.46	9,391.37	-5,892.32	261.46	5,898.11	0.00	0.00	0.00	
15,100.00	89.29	177.46	9,392.60	-5,992.21	265.89	5,998.11	0.00	0.00	0.00	
15,200.00	89.29	177.46	9,393.83	-6,092.10	270.32	6,098.10	0.00	0.00	0.00	
15,300.00	89.29	177.46	9,395.07	-6,192.00	274.76	6,198.09	0.00	0.00	0.00	
15,400.00	89.29	177.46	9,396.30	-6,291.89	279.19	6,298.08	0.00	0.00	0.00	
15,500.00	89.29	177.46	9,397.53	-6,391.79	283.62	6,398.08	0.00	0.00	0.00	
15,600.00	89.29	177.46	9,398.76	-6,491.68	288.05	6,498.07	0.00	0.00	0.00	
15,700.33	89.29	177.46	9,400.00	-6,591.90	292.50	6,598.39	0.00	0.00	0.00	
TD at 15700.33										

Design Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
- hit/miss target										
- Shape										
Lizard Pot 1H PP	0.00	0.00	0.00	-1,979.39	87.83	585,530.52	657,897.64	32° 36' 31.25 N	103° 49' 14.03 W	
- plan misses target center by 1981.34usft at 0.00usft MD (0.00 TVD, 0.00 N, 0.00 E)										
- Point										
Lizard Pot 1H Surface	0.00	0.00	0.00	0.00	0.00	587,509.90	657,809.80	32° 36' 50.84 N	103° 49' 14.95 W	
- plan hits target center										
- Point										
Lizard Pot 1H PBHL	0.00	0.00	9,400.00	-6,591.90	292.50	580,918.00	658,102.30	32° 35' 45.60 N	103° 49' 11.90 W	
- plan hits target center										
- Point										

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates			
		+N/-S (usft)	+E/-W (usft)	Comment	
8,804.17	8,804.17	0.00	0.00	Start Build 11.00	
9,615.93	9,325.00	-513.94	22.81	Start 6084.40 hold at 9615.93 MD	
15,700.33	9,400.00	-6,591.90	292.50	TD at 15700.33	

# COG OPERATING, LLC

Field: Eddy County, NM  
Site: Lizard Pot Fed 5H  
Well: 5H  
Wellbore: Lateral  
Plan: Plan #1



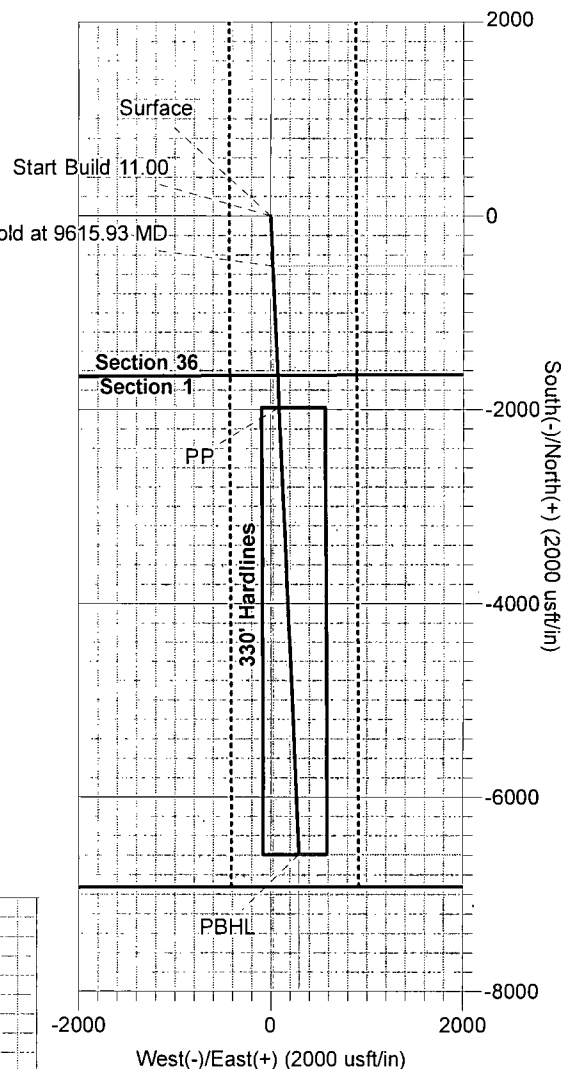
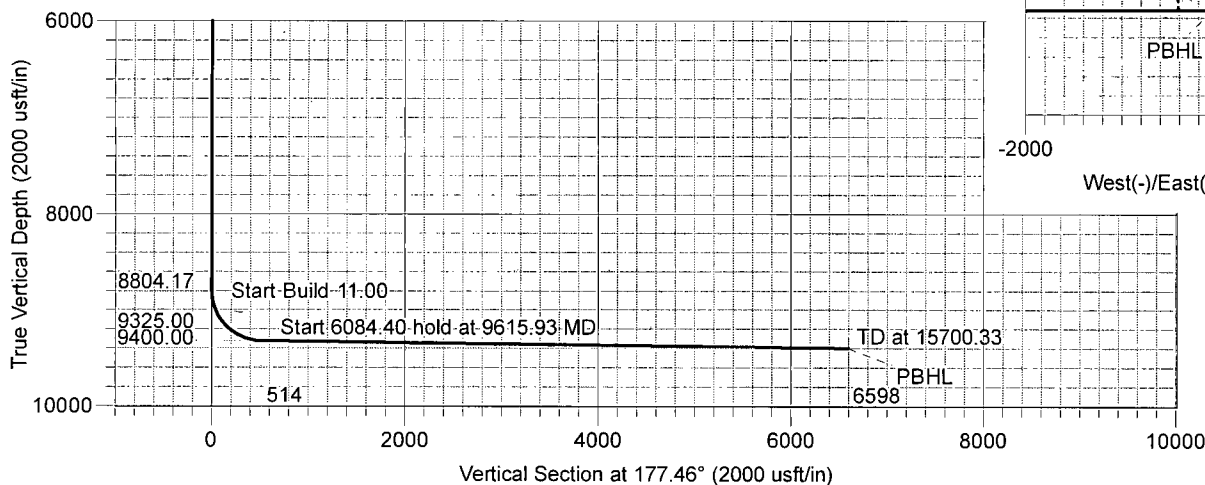
Azimuths to Grid North  
True North: -0.28°  
Magnetic North: 7.13°

Magnetic Field  
Strength: 48558.9snT  
Dip Angle: 60.44°  
Date: 2/5/2014  
Model: IGRF2010

## Section Distances

Sec36,T19S,R31E  
SHL - Unit J  
1649.8'FSL, 2209.6'FEL

Sec1,T20S,R31E  
PP  
330.0'FNL, 2134.4'FEL  
PBHL - Unit O  
330.0'FSL, 1950.0'FEL



## TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
Lizard Pot 1H PP	0.00	-1979.39	87.83	585530.51	657897.63	32° 36' 31.25 N	103° 49' 14.03 W	Point
Lizard Pot 1H Surface	0.00	0.00	0.00	587509.90	657809.80	32° 36' 50.84 N	103° 49' 14.95 W	Point
Lizard Pot 1H PBHL	9400.00	-6591.90	292.50	580918.00	658102.30	32° 35' 45.60 N	103° 49' 11.90 W	Point

## SECTION DETAILS

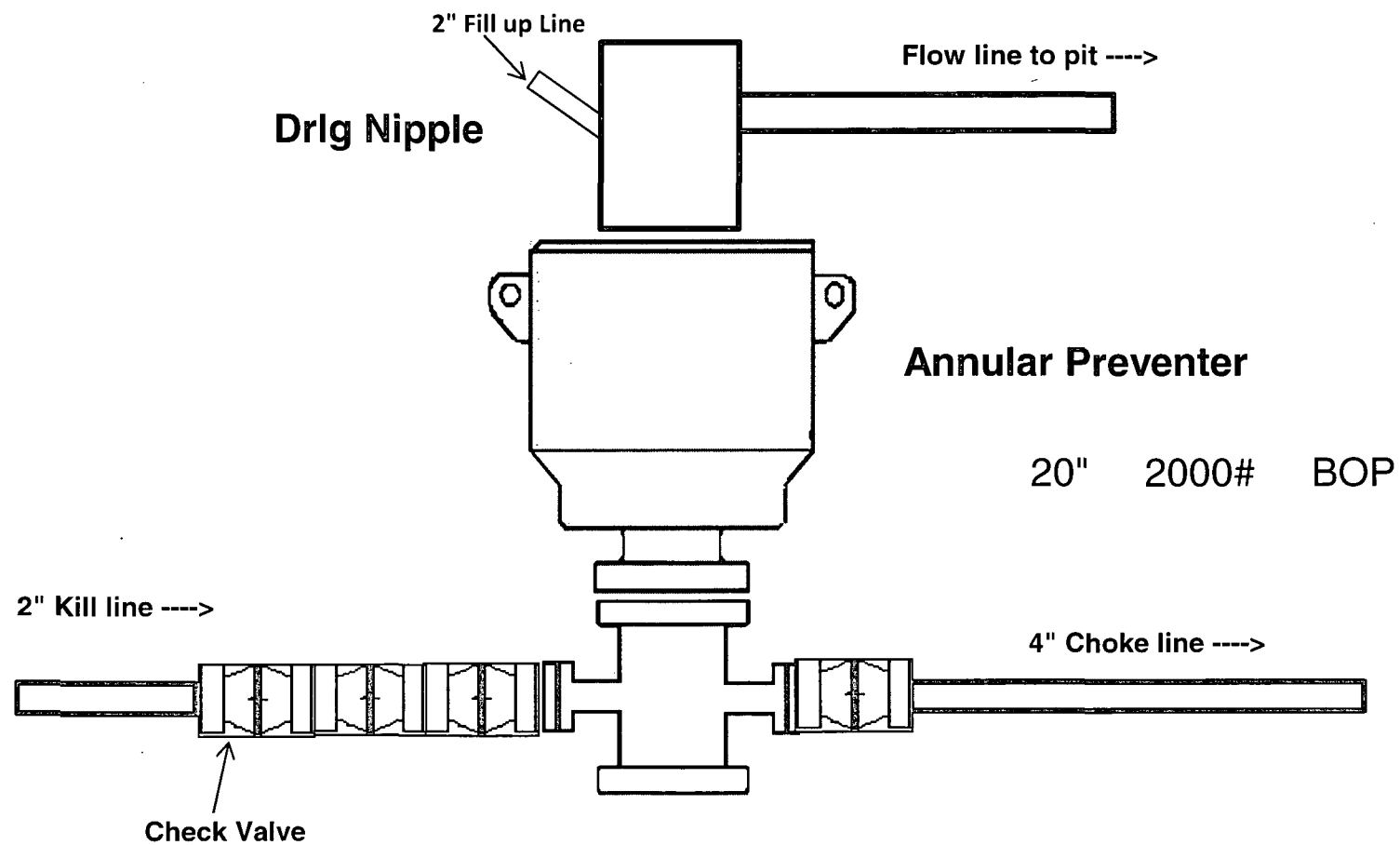
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	8804.17	0.00	0.00	8804.17	0.00	0.00	0.00	0.00	0.00	
3	9615.93	89.29	177.46	9325.00	-513.94	22.81	11.00	177.46	514.45	
4	15700.33	89.29	177.46	9400.00	-6591.90	292.50	0.00	0.00	6598.39	Lizard Pot 1H PBHL



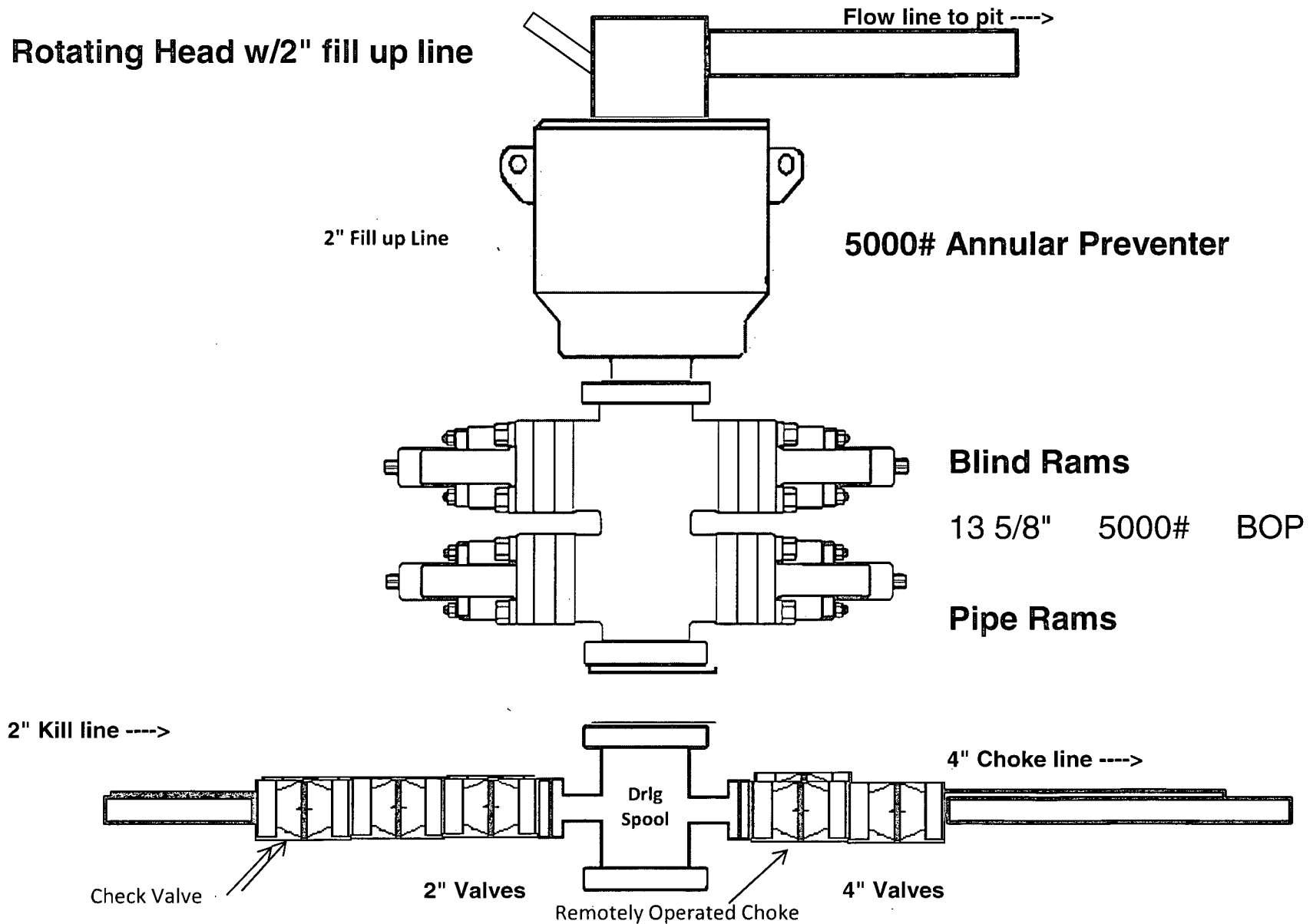
ARCHER DIRECTIONAL DRILLING SERVICES  
12101 Cutten Rd. Houston, Texas 77066  
Phone: 281-301-2600 Fax: 281-301-2795

Design: Plan #1 (5H/Lateral)  
Created By: Ivonne Gonzalez  
Date: 12:55, February 05 2014

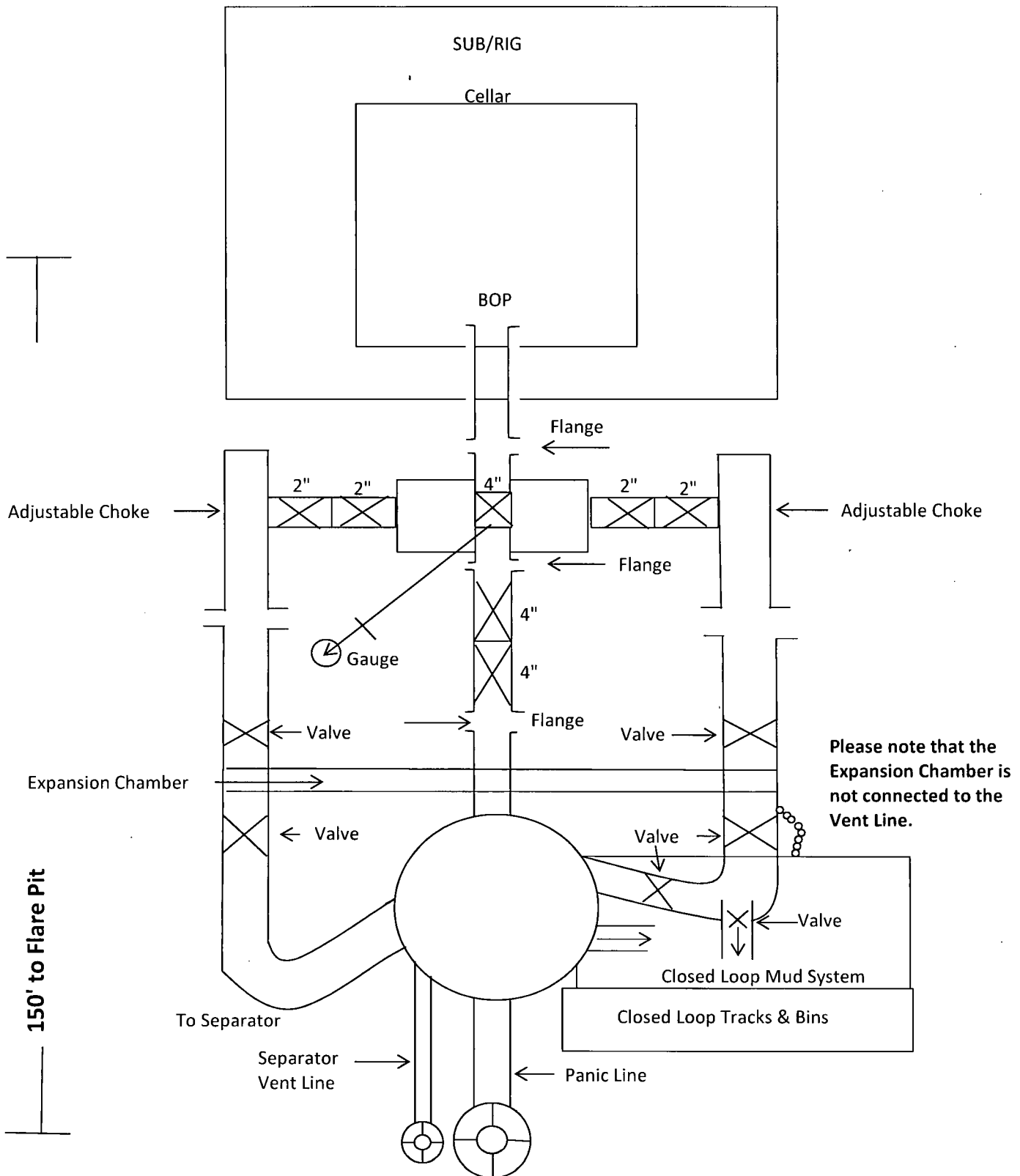
## 2,000 psi BOP Schematic



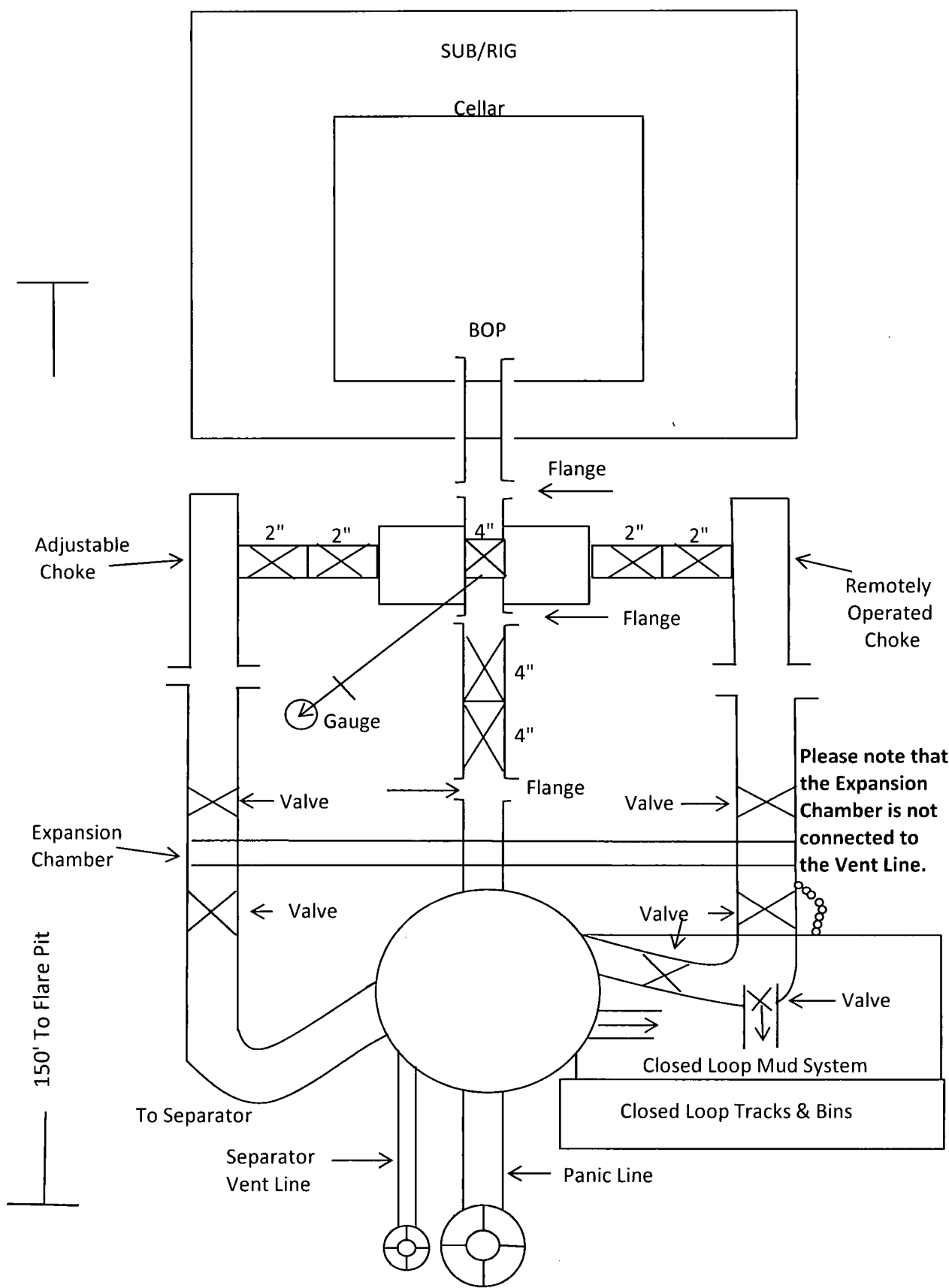
# 5,000 psi BOP Schematic



## 2M Choke Manifold Equipment



# 5M Choke Manifold Equipment





COG Operating LLC

Rig Plat & Closed Loop Equipment Diagram

Well pad will be 340' X 340'  
with cellar in center of pad

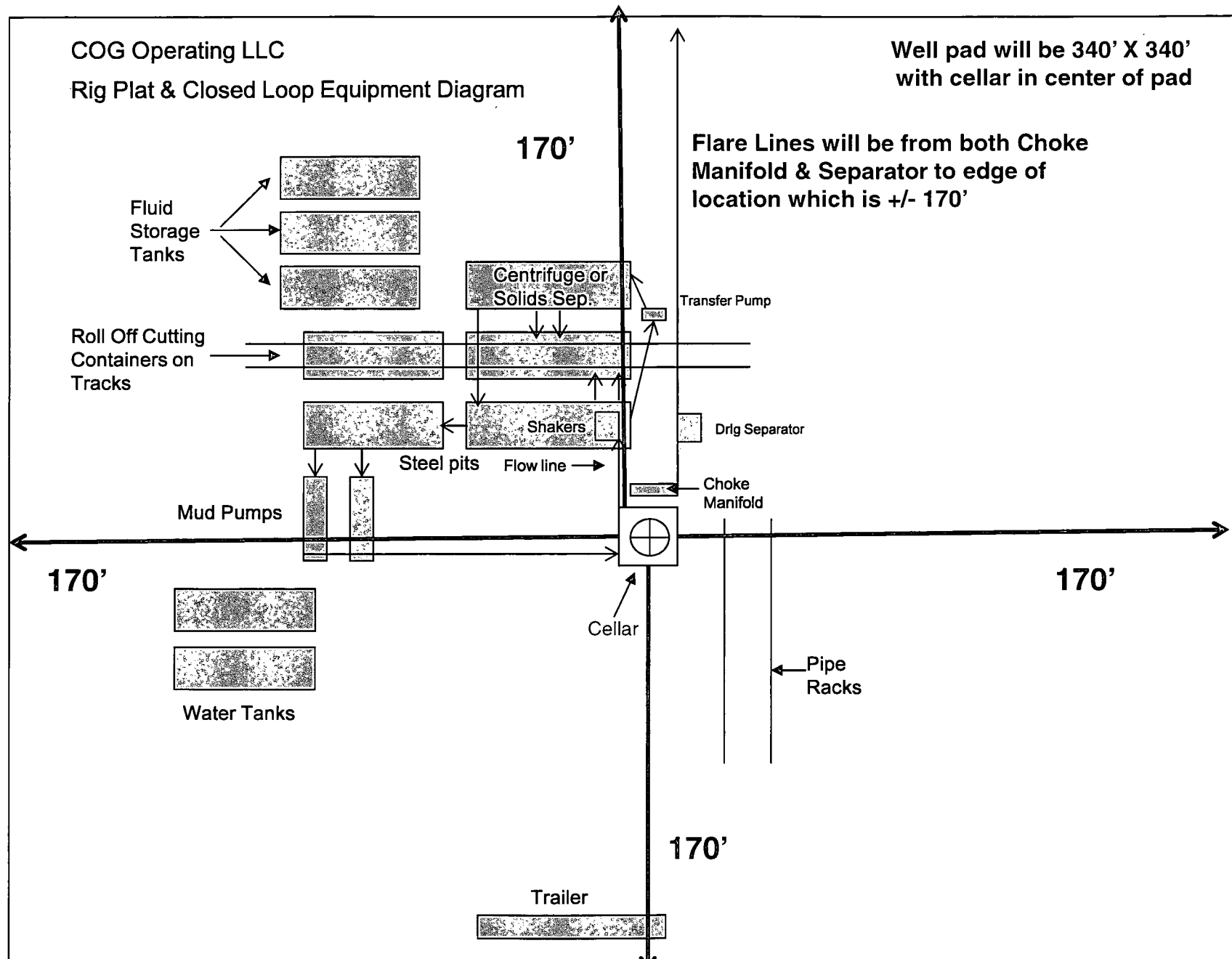


Exhibit 1

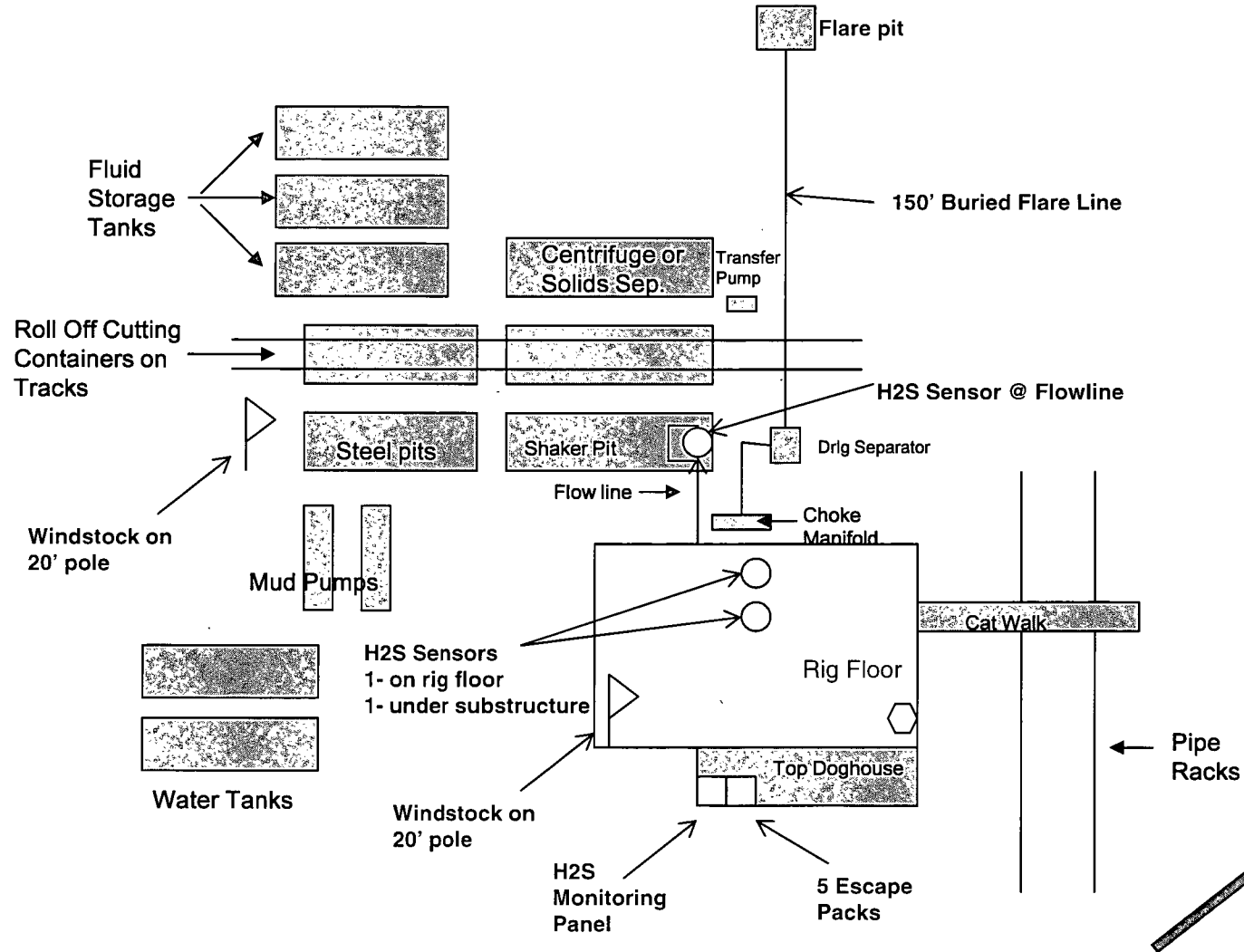
"I further certify that COG will comply with Rule 19.15.17  
NMAC by using a Closed Loop System."

COG Production LLC  
H<sub>2</sub>S Equipment Schematic  
Terrain: Shinnery sand hills.

Well pad will be 340' X 340'  
with cellar in center of pad

Primary  
Egress

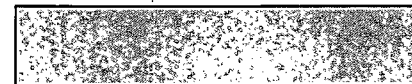
Location Entry  
Condition Sign



Secondary  
Egress

Company Representative's Trailer

Primary Briefing  
Area w/SCBA



**COG OPERATING LLC**  
**HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

**1. 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:

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

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

- a. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
- b. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- c. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and the 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. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

**2. H<sub>2</sub>S SAFETY EQUIPMENT AND SYSTEMS**

Note: All H<sub>2</sub>S 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 reasonably expected to contain H<sub>2</sub>S. If H<sub>2</sub>S greater than 100 ppm is encountered in the gas stream we will shut in and install H<sub>2</sub>S equipment.

- a. Well Control Equipment:
  - Flare line.
  - Choke manifold with remotely operated choke.
  - Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
  - Auxiliary equipment to include: annular preventer, mud-gas separator, rotating head.

- b. Protective equipment for essential personnel:  
Mark II Surviveair 30-minute units located in the dog house and at briefing areas.
- c. H2S detection and monitoring equipment:  
2 - portable H2S monitor positioned on location for best coverage and response. These units have warning lights and audible sirens when H2S levels of 20 ppm are reached.
- d. Visual warning systems:  
Caution/Danger signs 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.
- e. Mud Program:  
The mud program has been designed to minimize the volume of H2S circulated to the surface.
- f. Metallurgy:  
All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.
- g. Communication:  
Company vehicles equipped with cellular telephone.

COG OPERATING LLC has conducted a review to determine if an H2S contingency plan is required for the above referenced well. We were able to conclude that any potential hazardous volume would be minimal. H2S concentrations of wells in this area from surface to TD are low enough; therefore, we do not believe that an H2S contingency plan is necessary.

# **W A R N I N G**

**YOU ARE ENTERING AN H<sub>2</sub>S AREA  
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. CK WITH COG OPERATING LLC FOREMAN AT MAIN OFFICE***

**COG OPERATING LLC**

**1-575-748-6940**

## **EMERGENCY CALL LIST**

	<b><u>OFFICE</u></b>	<b><u>MOBILE</u></b>
COG OPERATING LLC OFFICE	575-748-6940	
SHERYL BAKER	575-748-6940	432-934-1873
KENT GREENWAY	575-746-2010	432-557-1694
SETH WILD	432-683-7443	432-528-3633
WALTER ROYE	575-748-6940	432-934-1886

## **EMERGENCY RESPONSE NUMBERS**

	<b><u>OFFICE</u></b>
STATE POLICE	575-748-9718
EDDY COUNTY SHERIFF	575-746-2701
EMERGENCY MEDICAL SERVICES (AMBULANCE)	911 or 575-746-2701
EDDY COUNTY EMERGENCY MANAGEMENT (HARRY BURGESS)	575-887-9511
STATE EMERGENCY RESPONSE CENTER (SERC)	575-476-9620
CARLSBAD POLICE DEPARTMENT	575-885-2111
CARLSBAD FIRE DEPARTMENT	575-885-3125
NEW MEXICO OIL CONSERVATION DIVISION	575-748-1283
INDIAN FIRE & SAFETY	800-530-8693
HALLIBURTON SERVICES	800-844-8451



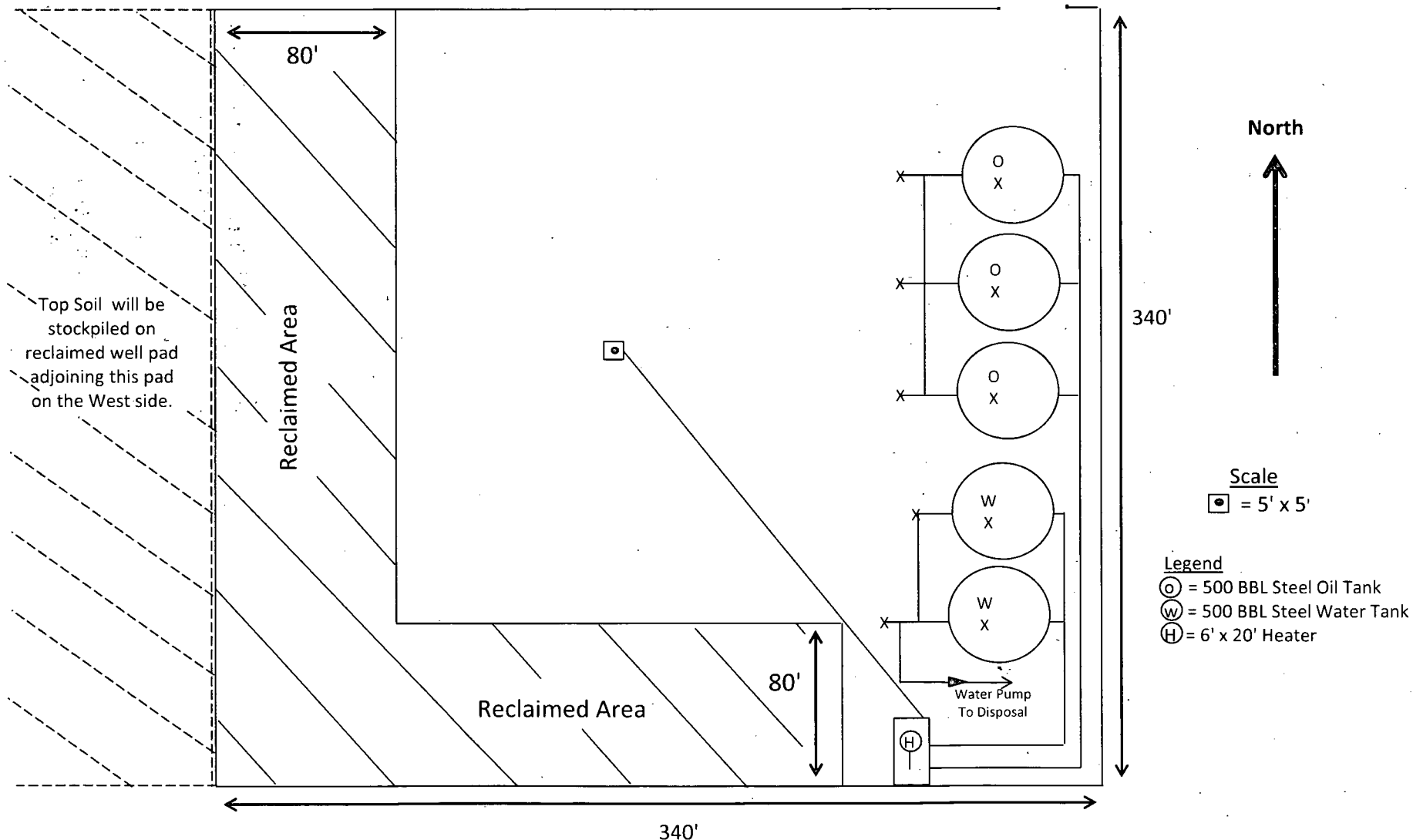
COG Operating LLC  
2208 West Main  
Artesia, NM 88210

## Production Facility Layout

Lizard Pot Federal #5H  
SHL: Section 36 - T19S - R31E  
BHL: Section 1 - T20S - 31E

Access Road

## Exhibit 3





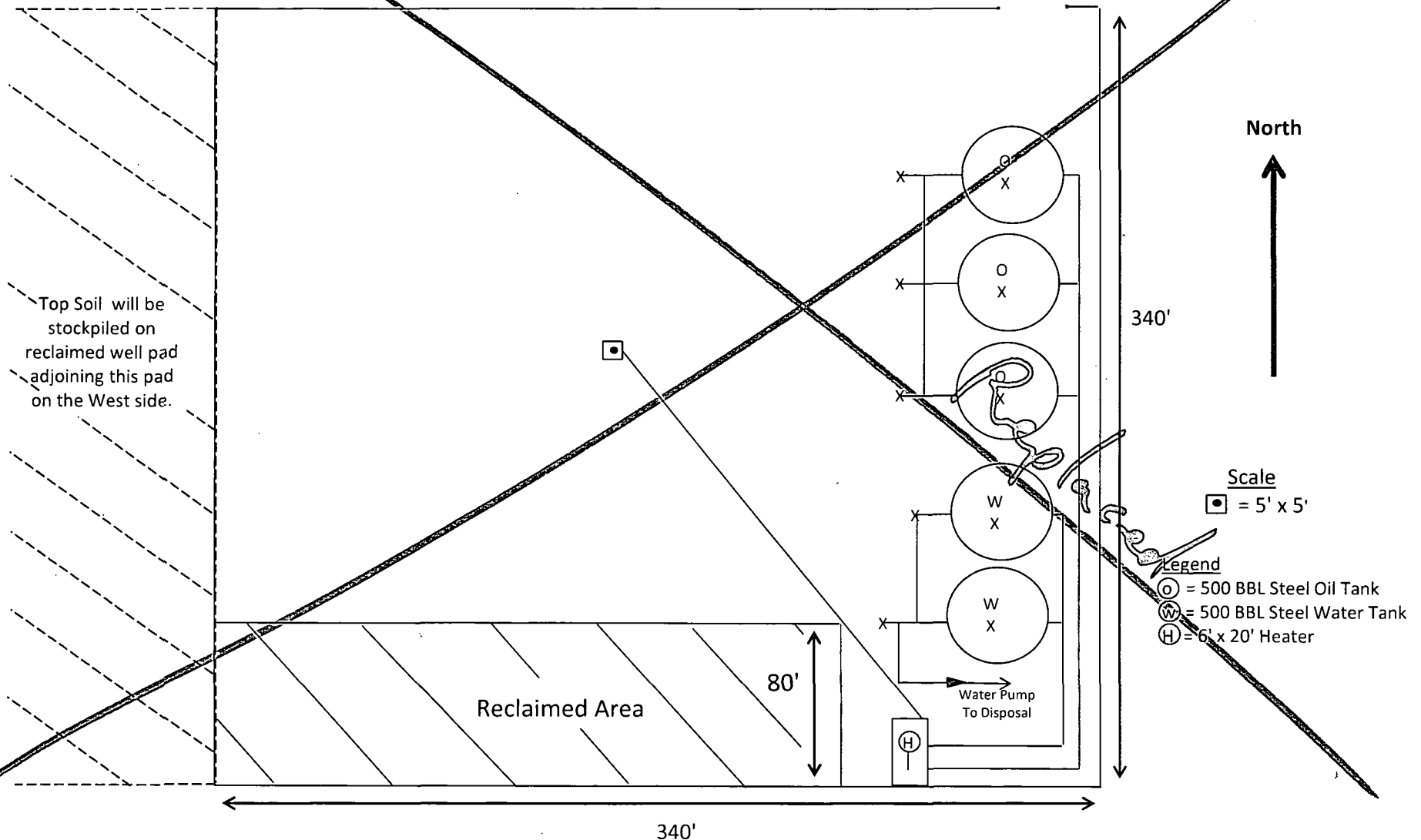
COG Operating LLC  
2208 West Main  
Artesia, NM 88210

# Production Facility Layout

Lizard Pot Federal #5H  
SHL: Section 36 - T19S - R31E  
BHL: Section 1 - T20S - 31E

Access Road

## Exhibit 3





# Surface Use & Operating Plan

## Lizard Pot Federal #5H

- Surface Owner: State of New Mexico
- New Road: 550'
- Flow Line: On well pad
- Facilities: Will be constructed on well pad – see Exhibit 3

### Well Site Information

V Door: East

Topsoil: Will be stockpiled on reclaimed well pad adjoining this pad on the west.

Interim Reclamation: West and South

### Notes

**Onsite:** On-site was done by Tanner Nygren (BLM); Rand French (COG) on December 13, 2013.

## **SURFACE USE AND OPERATING PLAN**

### **1. Existing & Proposed Access Roads**

- A. The well site survey and elevation plat for the proposed well is attached with this application. It was staked by Harcrow Surveying, Artesia, NM.
- B. All roads to the location are shown on the Location Verification Map Exhibit 2. The existing lease roads are illustrated and are adequate for travel during drilling and production operations. Upgrading existing roads prior to drilling the well will be done where necessary. The road route to the well site is depicted in Exhibit #2. The road shown in Exhibit #2 will be used to access the well.
- C. Directions to location: See 600 x 600 plat
- D. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease. Roads will be maintained according to specifications in section 2 of this Surface Use and Operating Plan.

### **2. Proposed Access Road:**

The Location Verification Map shows that 550' of new access road will be required for this location. If any road is required it will be constructed as follows:

The maximum width of the running surface will be 14'. The road will be crowned, ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.

- A. The average grade will be less than 1%.
- B. No turnouts are planned.
- C. There is a culvert as indicated on the Location Verification Map. No cattleguard, gates, low water crossings or fence cuts are necessary.
- D. Surfacing material will consist of native caliche. Caliche will be obtained from the actual well site if available. If not available onsite, caliche will be hauled from the nearest BLM approved caliche pit.

### **3. Location of Existing Well:**

The One-Mile Radius Map shows existing wells within a one-mile radius of surface hole location and the bottom hole location.

### **4. Location of Existing and/or Proposed Facilities:**

- A. COG Operating LLC does not operate an oil production facility on this Lease.
- B. If the well is productive, contemplated facilities will be as follows:
  - 1) A tank battery and facilities will be constructed as shown on Exhibit 3.
  - 2) The tank battery and facilities including all flow lines and piping will be installed according to API specifications.
  - 3) Any additional caliche will be obtained from the actual well site. If caliche does not exist or is not plentiful from the well site, the caliche will be hauled from a BLM approved caliche pit. Any additional construction materials will be purchased from contractors.
  - 4) It will be necessary to run electric power if this well is productive. Power will be provided by Xcel Energy and they will submit a separate plan and ROW for service to the well location.
  - 5) If the well is productive, rehabilitation plans will include the following:
    - The original topsoil from the well site will be returned to the location, and the site will be re-contoured as close as possible to the original site.

### **5. Location and Type of Water Supply:**

The well will be drilled with combination brine and fresh water mud system as outlined in the drilling program. The water will be obtained from commercial water stations in the area and hauled to location by transport truck over the existing and proposed access roads shown in Exhibit #2. If a commercial fresh water source is nearby, fast line may be laid along existing road ROW's and fresh water pumped to the well. No water well will be drilled on the location.

## **6. Source of Construction Materials and Location “Turn-Over” Procedure:**

Obtaining caliche: One primary way of obtaining caliche to build locations and roads will be by “turning over” the location. This means, caliche will be obtained from the actual well site. A caliche permit will be obtained from BLM prior to obtaining caliche. 2400 cubic yards is the maximum amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

- A. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- B. An approximate 160' X 160' area is used within the proposed well site to remove caliche.
- C. Subsoil is removed and stockpiled within the surveyed well pad.
- D. When caliche is found, material will be stock piled within the pad site to build the location and road.
- E. Then subsoil is pushed back in the hole and caliche is spread accordingly across entire location and road.
- F. Once well is drilled, the stock piled top soil will be used for interim reclamation and spread along areas where caliche is picked up and the location size is reduced.
- G. Neither caliche, nor subsoil will be stock piled outside of the well pad. Topsoil will be stockpiled along the edge of the pad as depicted in the Well Site Layout or survey plat.

In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit or other established mineral pit. A BLM mineral material permit will be acquired prior to obtaining any mineral material from BLM pits or land.

## **7. Methods of Handling Water Disposal:**

- A. The well will be drilled utilizing a closed loop mud system. Drill cuttings will be held in roll-off style mud boxes and taken to an NMOCD approved disposal site.
- B. Drilling fluids will be contained in steel mud pits.
- C. Water produced from the well during completion will be held temporarily in steel tanks and then taken to an NMOCD approved commercial disposal facility.

- D. Garbage and trash produced during drilling or completion operations will be collected in a trash bin and hauled to an approved landfill. No toxic waste or hazardous chemicals will be produced by this operation.
- E. Human waste and grey water will need to be properly contained and disposed of. Proper disposal and elimination of waste and grey water may include but are not limited to portable septic systems and/or portable waste gathering systems (i.e. portable toilets).
- F. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned up within 30 days. In the event of a dry hole only a dry hole marker will remain.

**8. Ancillary Facilities:**

No airstrip, campsite or other facilities will be built as a result of the operation on this well.

**9. Well Site Layout:**

- A. The drill pad layout, with elevations staked by Harcrow Surveying, is shown in the Elevation Plat. Dimensions of the pad and pits are shown on the Rig Layout. V door direction is East. Topsoil, if available, will be stockpiled per BLM specifications. Because the pad is almost level no major cuts will be required.
- B. The Rig Layout Closed-Loop exhibit shows the proposed orientation of closed loop system and access road. No permanent living facilities are planned, but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.

**10. Plans for Restoration of the Surface:**

- A. Interim Reclamation will take place after the well has been completed. The pad will be downsized by reclaiming the areas not needed for production operations. The portions of the pad that are not needed for production operations will be re-contoured to its original state as much as possible. The caliche that is removed will be reused to either build another pad site or for road repairs within the lease. The stockpiled topsoil will then be spread out reclaimed area and reseeded with a BLM approved seed mixture. In the event that the well must be worked over or maintained, it may be necessary to drive, park, and/or operate machinery on reclaimed land. This area will be repaired or reclaimed after work is complete.

- B. Final Reclamation: Upon plugging and abandoning the well all caliche for well pad and lease road will be removed and surface will be recountoured to reflect its surroundings as much as possible. Caliche will be recycled for road repair or reused for another well pad within the lease. If any topsoil remains, it will be spread out and the area will be re-seeded with a BLM approved mixture and re-vegetated as per BLM orders.

#### **11. Surface Ownership:**

- A. The surface is owned by the State of New Mexico. The surface is multiple uses with the primary uses of the region for grazing of livestock and the production of oil and gas.
- B. The proposed road routes and surface location will be restored as directed by the BLM.

#### **12. Other Information:**

- A. The area around the well site is grassland and the topsoil is sandy. The vegetation is moderately sparse with native prairie grasses, some mesquite and shinnery oak. No wildlife was observed but it is likely that mule deer, rabbits, coyotes and rodents traverse the area.
- B. There is no permanent or live water in the immediate area.
- C. There are no dwellings within 2 miles of this location.
- D. If needed, a Cultural Resources Examination is being prepared by Boone Arch Services of NM, LLC., 2030 North Canal, Carlsbad, New Mexico, 88220, phone # 575-885-1352 and the results will be forwarded to your office in the near future. Otherwise, **COG will be participating in the Permian Basin MOA Program.**

#### **13. Bond Coverage:**

Bond Coverage is Statewide Bonds # NMB000740 and NMB000215

*Surface Use Plan*  
*COG Operating LLC*  
*Lizard Pot Federal #5H*  
*SHL: 1650' FSL & 2210' FEL    UL J*  
*Section 36, T19S, R31E*  
*BHL: 330' FSL & 1950' FEL    UL O*  
*Section 1, T20S, R31E*  
*Eddy County, New Mexico*

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**14. Lessee's and Operator's Representative:**

The COG Operating LLC representative responsible for assuring compliance with the surface use plan is as follows:

Sheryl Baker  
Drilling Superintendent  
COG Operating LLC  
2208 West Main Street  
Artesia, NM 88210  
Phone (575) 748-6940 (office)  
(432) 934-1873 (cell)

Ray Peterson  
Drilling Manager  
COG Operating LLC  
One Concho Center  
600 W Illinois Ave  
Midland, TX 79701  
Phone (432) 685-4304 (office)  
(432) 818-2254 (business)

# PECOS DISTRICT CONDITIONS OF APPROVAL

<b>OPERATOR'S NAME:</b>	<b>COG Operating, LLC</b>
<b>LEASE NO.:</b>	<b>NMNM-057239</b>
<b>WELL NAME &amp; NO.:</b>	<b>Lizard Pot Federal 5H</b>
<b>SURFACE HOLE FOOTAGE:</b>	<b>1650' FSL &amp; 2210' FEL</b>
<b>BOTTOM HOLE FOOTAGE:</b>	<b>0330' FSL &amp; 1950' FEL Sec. 01, T. 20 S., R 31 E</b>
<b>LOCATION:</b>	<b>Section 36, T. 19 S., R 31 E., NMPM</b>
<b>COUNTY:</b>	<b>Eddy County, New Mexico</b>

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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
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- ☐ **Construction**
  - Notification
  - Topsoil
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  - Well Pads
  - Roads
- ☐ **Road Section Diagram**
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  - Capitan Reef
  - Cement Requirements
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  - Waste Material and Fluids
- ☐ **Production (Post Drilling)**
  - Well Structures & Facilities
- ☐ **Interim Reclamation**
- ☒ **Final Abandonment & Reclamation**



## **I. GENERAL PROVISIONS**

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

## **II. PERMIT EXPIRATION**

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

## **III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES**

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

## **IV. NOXIOUS WEEDS**

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

## **V. SPECIAL REQUIREMENT(S)**

### **Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:**

Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period.

Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted.

Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

**Ground-level Abandoned Well Marker to avoid raptor perching:** Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

## **VI. CONSTRUCTION**

### **A. NOTIFICATION**

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

### **B. TOPSOIL**

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

### **C. CLOSED LOOP SYSTEM**

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

### **D. FEDERAL MINERAL MATERIALS PIT**

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

### **E. WELL PAD SURFACING**

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

### **F. EXCLOSURE FENCING (CELLARS & PITS)**

**Exclosure Fencing**

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

**G. ON LEASE ACCESS ROADS****Road Width**

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

**Surfacing**

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

**Crowning**

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

**Ditching**

Ditching shall be required on both sides of the road.

**Turnouts**

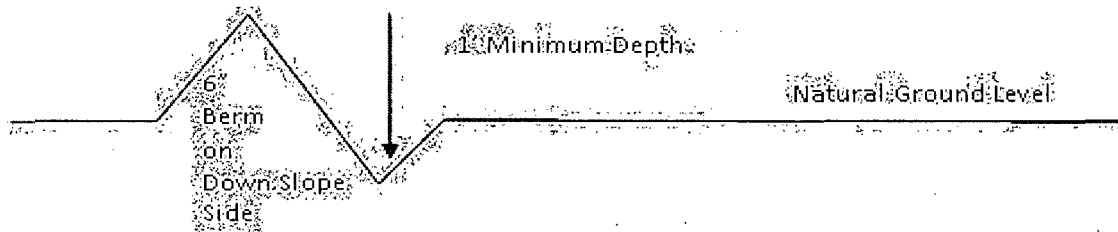
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

**Drainage**

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outslowing and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

#### **Cross Section of a Typical Lead-off Ditch**



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

#### **Formula for Spacing Interval of Lead-off Ditches**

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

#### **Cattleguards**

An appropriately sized cattleguard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattleguards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguards that are in place and are utilized during lease operations.

#### **Fence Requirement**

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

#### **Public Access**

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

## Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

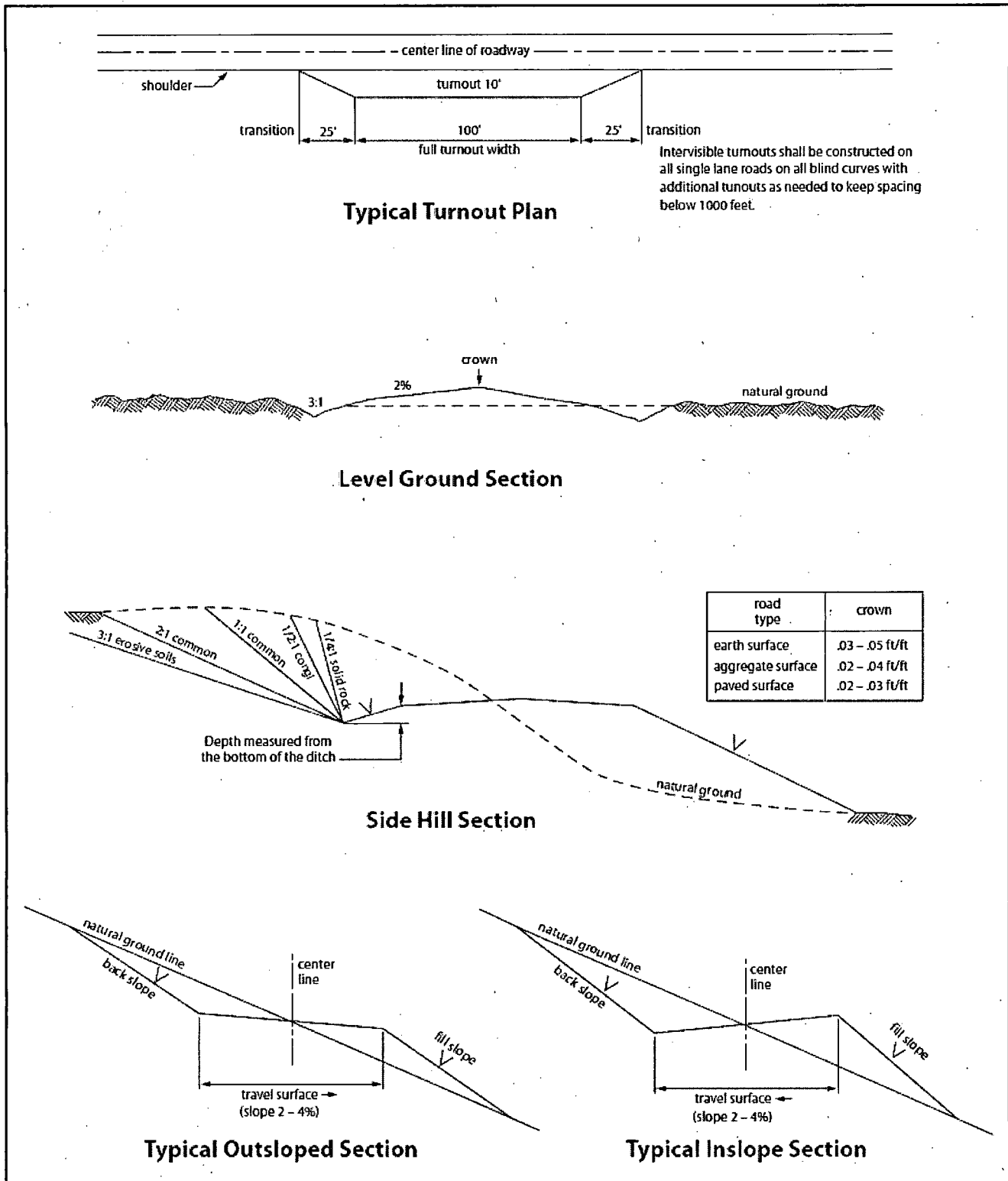


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

## VII. DRILLING

### A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

1. **Hydrogen Sulfide (H<sub>2</sub>S) monitors shall be installed prior to drilling out the surface shoe and a Hydrogen Sulfide (H<sub>2</sub>S) Drilling Plan shall be activated 500 feet prior to drilling into the Delaware formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.
4. **The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.**

## **B. CASING**

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

**Centralizers required on surface casing per Onshore Order 2.III.B.1.f.**

**Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.**

**No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.**

**Secretary's Potash**

**Capitan Reef**

**Possibility of water flows in the Artesia Group and Salado.**

**Possibility of lost circulation in the Red Beds, Rustler, Artesia Group, Capitan Reef, and Delaware.**

1. The 20 inch surface casing shall be set at approximately 975 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.  
**Fresh water mud to be used to setting depth. Excess calculates to negative 67% - Additional cement will be required.**
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
  - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.



- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

**13-3/8 inch intermediate casing shall be kept fluid filled while running into hole to meet BLM minimum collapse requirements.**

- 2. The minimum required fill of cement behind the 13-3/8 inch 1<sup>st</sup> intermediate casing is:
  - ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash.**
- 3. The minimum required fill of cement behind the 9-5/8 inch 2<sup>nd</sup> intermediate casing is:
  - ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Capitan Reef and potash.**

**Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.**

- 4. The minimum required fill of cement behind the 5-1/2 inch production casing is:
  - ☒ Cement should tie-back at least **50 feet above the Capitan Reef** (Top of Capitan Reef estimated at 3085'). Operator shall provide method of verification.
- 5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

#### **C. PRESSURE CONTROL**

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M) psi**.
  - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **13-3/8** intermediate casing shoe shall be **3000 (3M) psi (Installing 5M testing to 3,000 psi)**.
4. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
  - b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
  - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
  - d. The results of the test shall be reported to the appropriate BLM office.
  - e. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
  - f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

**D. DRILL STEM TEST**

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

**E. WASTE MATERIAL AND FLUIDS**

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

**JAM 060914**

## **VIII. PRODUCTION (POST DRILLING)**

### **A. WELL STRUCTURES & FACILITIES**

#### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

#### **Exclosure Netting (Open-top Tanks)**

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

#### **Chemical and Fuel Secondary Containment and Exclosure Screening**

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

#### **Open-Vent Exhaust Stack Exclosures**

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

#### **Containment Structures**

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the

largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

**Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, Shale Green from the BLM Standard Environmental Color Chart (CC-001: June 2008).

## **IX. INTERIM RECLAMATION**

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

## **X. FINAL ABANDONMENT & RECLAMATION**

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

## Seed Mixture for LPC Sand/Shinnery Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

<u>Species</u>	<u>lb/acre</u>
Plains Bristlegrass	5lbs/A
Sand Bluestem	5lbs/A
Little Bluestem	3lbs/A
Big Bluestem	6lbs/A
Plains Coreopsis	2lbs/A
Sand Dropseed	1lbs/A

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed