				RECEIVED	I				
Form 3160-3 (March 2012)	UNITED STATES UNITED STATES DEPARTMENT OF THE BUREAU OF LAND MAN	DA		JUN 0 6 2		FORM APPROVED OMB No. 1004-0137 Expires October 31, 2014 5. Lease Serial No. NMNM117122			
	APPLICATION FOR PERMIT TO					6. If Indian, Allotee	or Tribe I	Name	
la. Type of work		ER				7 If Unit or CA Agre		ame and No. 	
lb. Type of Wel			Sing	ile Zone 🖌 Multip	le Zone	8. Lease Name and V HOBGOBLIN 7 FE		•	
2. Name of Ope				22913	7	9. API Well No. <u>30- 0/5</u>			
3a. Address 60	0 West Illinois Ave Midland TX 79701	3b. Phone (432)68		(include area code) 43		10. Field and Pool, or I LOCO HILLS / GLO	-	•	
At surface	Vell (Report location clearly and in accordance with an SWNW / 1650 FNL / 1 FWL / LAT 32.851781 prod. zone LOT 2 / 1650 FNL / 10 FWL / LAT	19 / LONG	ə -10	4.002753	503	11. Sec., T. R. M. or B SEC 8 / T17S / R3		-	
14. Distance in mi 2.6 miles	les and direction from nearest town or post office*					12. County or Parish EDDY		13. State NM	
15. Distance from location to near property or lea (Also to neare	rest 1 feet	16. No. (240	of acı	res in lease	17. Spacin 157.37	g Unit dedicated to this v	vell		
18. Distance from to nearest well applied for, on	drilling, completed, 12 feet	19. Prop 4469 fe		Depth 9766 feet		BIA Bond No. on file MB000215			
21. Elevations (S 3673 feet	how whether DF, KDB, RT, GL, etc.)	22 App 06/08/		ate date work will star	1*	23. Estimated duratio 20 days	n		
				ments					
The following, con	pleted in accordance with the requirements of Onsho	ore Oil and (Gas O	order No.1, must be at	tached to thi	is form:			
 A Drilling Plan A Surface Use 	ed by a registered surveyor. Plan (if the location is on National Forest System filed with the appropriate Forest Service Office).	Lands, the		Item 20 above). 5. Operator certific	ation	ns unless covered by an prmation and/or plans as	-		
25. Signature (E	Electronic Submission)			Printed/Typed) Odom / Ph: (432)	685-4385		Date 11/29/	2017	
Title Regulatory	Analyst	t							
Approved by (Signa (El	ature) ectronic Submission)			Printed/Typed) ayton / Ph: (575)2	234-5959		Date 06/01/	/2018	
	Itiple Resources	C		SBAD					
conduct operations	val does not warrant or certify that the applicant hole thereon. roval, if any, are attached.	ds legal or o	equita	ble title to those righ	ts in the sub	ject lease which would e	ntitle the	applicant to	
	tion 1001 and Title 43 U.S.C. Section 1212, make it a c titious or fraudulent statements or representations as				villfully to n	nake to any department of	or agency	of the United	
(Continued o	n page 2)					*(Inst	ruction	is on page 2)	

.

•



RN 6-7-18,

RECEIVED

JUN 06 2018

DISTRICT II-ARTESIA O.C.D.

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts. ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Continued on page 3)

(Form 3160-3, page 2)

t

Additional Operator Remarks

Location of Well

SHL: SWNW / 1650 FNL / 1 FWL / TWSP: 175 / RANGE: 30E / SECTION: 8 / LAT: 32.8517819 / LONG: -104.002753 (TVD: 0 feet, MD: 0 feet)
 PPP: SENE / 1650 FNL / 100 FEL / TWSP: 175 / RANGE: 30E / SECTION: 7 / LAT: 32.8517819 / LONG: -104.002753 (TVD: 4033 feet, MD: 4045 feet)
 BHL: LOT 2 / 1650 FNL / 10 FWL / TWSP: 175 / RANGE: 30E / SECTION: 7 / LAT: 32.8517372 / LONG: -104.0196503 (TVD: 4469 feet, MD: 9766 feet)

BLM Point of Contact

Name: Sipra Dahal Title: Legal Instruments Examiner Phone: 5752345983 Email: sdahal@blm.gov

(Form 3160-3, page 3)

Review and Appeal Rights

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

Approval Date: 06/01/2018

(Form 3160-3, page 4)

PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG Operating, LLC
LEASE NO.:	NMNM-117122
WELL NAME & NO.:	Hobgoblin 7 Federal Com 13H
SURFACE HOLE FOOTAGE:	1650' FNL & 0001' FWL
BOTTOM HOLE FOOTAGE	1650' FNL & 0010' FWL Sec. 07, T. 17 S., R 30 E.
LOCATION:	Section 08, T. 17 S., R 30 E., NMPM
COUNTY:	County, New Mexico

Communitization Agreement

The operator will submit a Communitization Agreement to the Carlsbad Field Office, 620 E Greene St. Carlsbad, New Mexico 88220, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.

If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

In addition, the well sign shall include the surface and bottom hole lease numbers. <u>When the Communitization Agreement number is known, it shall also be</u> on the sign.

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

A. Hydrogen Sulfide

ð .

- 1. A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the Grayburg 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.
- 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 or are Non-API. 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.). The initial wellhead installed on the well will remain on the well with spools used as needed.

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

Wait on cement (WOC) for Water Basin:

After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least <u>8 hours</u>. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

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

Possibility of water flows in the Salado and Artesia groups. Possibility of lost circulation in the Artesia Groups and Grayburg.

- 1. The 13-3/8 inch surface casing shall be set at approximately 410 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - 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.
- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Option #1(Single Stage):

 \Box Cement to surface. If cement does not circulate see B.1.a, c-d above.

Option #2 (DV Tool):

DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range. If an ECP is used, it is to be set a minimum of 50' below the shoe to provide cement across the shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

- a. First stage to DV tool:
- Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
- b. Second stage above DV tool:
- Cement to surface. If cement does not circulate, contact the appropriate BLM office.

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

3. The minimum required fill of cement behind the 7 X 5-1/2 inch production casing is:

Option #1 (Single Stage):

Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. Excess calculates to 2% - Additional cement may be required.

Option #2 (DV Tool):

DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range.

a. First stage to DV tool:_____

- Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage.
- b. Second stage above DV tool:

Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

4. 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 53.
- 2. In the case where the only BOP installed is an annular preventer, it shall be tested to a minimum of 2000 psi (which may require upgrading to 3M or 5M annular).
- 3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be psi.

4. The appropriate BLM office shall be notified a minimum of hours in advance for a representative to witness the tests.

- a. In a water basin, 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. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- a. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**.
- b. 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.
- c. The results of the test shall be reported to the appropriate BLM office.

- d. 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.
- e. 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 053118

PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:	COG Operating
LEASE NO.:	NM002748
WELL NAME & NO.:	13H – Hobgoblin 7 Federal Com
SURFACE HOLE FOOTAGE:	1650'/N & 1'/W
BOTTOM HOLE FOOTAGE	1650'/N & 10'/W, sec. 7
LOCATION:	Section 8, T. 17 S., R. 30 E.
COUNTY:	Eddy County, New Mexico

TABLE OF CONTENTS

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

Permit Expiration

Archaeology, Paleontology, and Historical Sites

Noxious Weeds

Special Requirements

Lesser Prairie-Chicken Timing Stipulations Below Ground-level Abandoned Well Marker

Construction

Notification

Topsoil

Closed Loop System

Federal Mineral Material Pits

Well Pads

Roads

Road Section Diagram

Production (Post Drilling)

Well Structures & Facilities

Pipelines

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.

Below 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)

Page 4 of 14

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

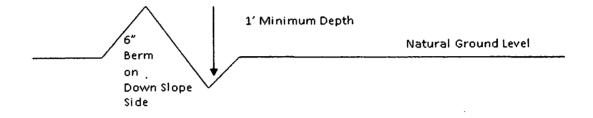
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping 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 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards 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 cattle guards that are in place and are utilized during lease operations.

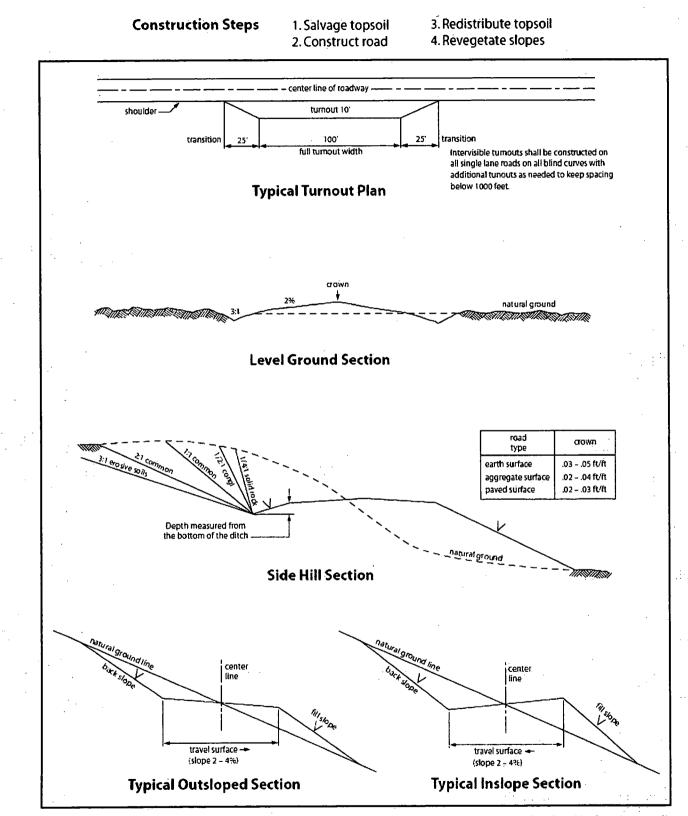
Fence Requirement

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.

Page 6 of 14





Page 7 of 14

VII. 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, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.

2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (*see* 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, *et seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third

parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall be confined to the authorized right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.

8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky of duney areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of <u>24</u> inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – Shale Green, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed

Page 11 of 14

is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. 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, powerline 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.

17. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

- 18. Special Stipulations:
 - a. <u>Lesser Prairie-Chicken</u>: Oil and gas activities 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 and 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. Normal vehicle use on existing roads will not be restricted.

VIII. 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

Page 12 of 14

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).

IX. 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).

Below 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

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 <u>no</u> primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall 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). 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. Seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may 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:

Species	<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	11bs/A

*Pounds of pure live seed:

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



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently 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 the company I represent, 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.

NAME: Robyn Odom		Signed on: 11/17/2017
Title: Regulatory Analyst	:	
Street Address: 600 W	Illinois Ave	
City: Midland	State: TX	Zip : 79701
Phone: (432)685-4385	,	
Email address: rodom@)concho.com	
Field Represe Representative Name Street Address:): :	
City:	State:	· Zip: ·
Phone:		
Email address:		

AFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Operator Name: COG OPERATING LLC

Well Name: HOBGOBLIN 7 FEDERAL COM

Application Data Report 06/04/2018

Submission Date: 11/29/2017

Zip: 79701

Well Number: 13H

Well Work Type: Drill

Highlighted data reflacts the mast recent Granges

Show Final Text

Well Type: OIL WELL

APD ID: 10400024733

Section 1 - General

APD ID:	10400024733	Tie to previous NOS?	10400022723	Submission Date: 11/29/2017
BLM Office:	CARLSBAD	User: Robyn Odom	Title:	Regulatory Analyst
Federal/Indi	an APD: FED	Is the first lease penetr	ated for productio	n Federal or Indian? FED
Lease numb	er: NMNM117122	Lease Acres: 240		
Surface acc	ess agreement in place?	Allotted?	Reservation :	
Agreement i	in place? NO	Federal or Indian agree	ement:	
Agreement	number:			
Agreement	name:			
Keep applic	ation confidential? NO			
Permitting A	Agent? NO	APD Operator: COG OF	PERATING LLC	
Operator let	ter of designation:			

Operator Info

Operator Organization Name: COG OPERATING LLC Operator Address: 600 West Illinois Ave Operator PO Box: Operator City: Midland State: TX Operator Phone: (432)683-7443

Operator Internet Address: RODOM@CONCHO.COM

Section 2 - Well Information

Well in Master Development Plan? NO	Mater Development Plan name:	
Well in Master SUPO? NO	Master SUPO name:	
Well in Master Drilling Plan? NO	Master Drilling Plan name:	
Well Name: HOBGOBLIN 7 FEDERAL COM	Well Number: 13H	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: LOCO HILLS	Pool Name: GLORIETA-YESO

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Weil Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Describe other minerals:		
Is the proposed well in a Helium production area? N	Use Existing Well Pad? YES	8 New surface disturbance? Y
Type of Well Pad: SINGLE WELL	Multiple Well Pad Name:	Number:
Well Class: HORIZONTAL	Number of Legs: 1	
Well Work Type: Drill		
Well Type: OIL WELL		
Describe Well Type:		
Well sub-Type: INFILL		
Describe sub-type:		
Distance to town: 2.6 Miles Distance to ne	arest well: 12 FT Dis	tance to lease line: 1 FT
Reservoir well spacing assigned acres Measurement	: 157.37 Acres	
Well plat: Hobgoblin_7_Federal_Com_13H_C102_20	0171117102715.pdf	
Well work start Date: 06/08/2018	Duration: 20 DAYS	

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	QW	TVD
SHL Leg #1	165 0	FNL	1	FWL	17S	30E	8	Aliquot SWN W	32.85178 19		EDD Y		NEW MEXI CO	F		367 3	0	0
KOP Leg #1	165 0	FNL	1	FWL	17S	30E	8	Aliquot SWN W	32.85178 19		EDD Y	MEXI			NMNM 002748		404 5	403 3
PPP Leg #1	165 0	FNL	100	FEL	17S	30E	7	Aliquot SENE	32.85178 19	- 104.0027 53	EDD Y	NEW MEXI CO		F	NMNM 117122	-360	404 5	403 3

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	DM	TVD
EXIT Leg #1	165 0	FNL	100 	FWL	17S	30E	7	Lot 2	32.85 <u>1</u> 73 72	- 104.0196 503		MEXI	NEW MEXI CO		NMNM 007752	-796		446 9
BHL Leg #1	165 0	FNL	10	FWL	17S	30E	7	Lot 2	32.85173 72	- 104.0196 503		NEW MEXI CO	INEVV	F	NMNM 007752	-796		446 9

AFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400024733

Operator Name: COG OPERATING LLC

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Submission Date: 11/29/2017

fighlighied dala kalekis ing masi kacani changes

Show Final Text

Well Type: OIL WELL

Well Work Type: Drill

Section 1 - Geologic Formations

Formation			True Vertical		1	Mineral Resources	Producing
<u>ID</u>	Formation Name UNKNOWN	Elevation 3673	Depth 0	Depth 0	Lithologies ALLUVIUM	USEABLE WATER	No
					•		
2	RUSTLER	3340	333	333	ANHYDRITE	OTHER : Brackish Water	No
3	TOP SALT	3155	518	518	SALT	OTHER : Salt	No
4	TANSILL	2562	1111	1111	DOLOMITE	NONE	No
5	YATES	2455	1218	1218	SANDSTONE,DOLOMIT E	NATURAL GAS,OIL	No
6	SEVEN RIVERS	2170	1503	1503	SANDSTONE,DOLOMIT E	NATURAL GAS,OIL	No
7	QUEEN	1562	2111	2111	SANDSTONE	NATURAL GAS, OIL	No
8	GRAYBURG	1152	2521	2521	DOLOMITE,ANHYDRIT E	NATURAL GAS,OIL	No
9	SAN ANDRES	851	2822	2822	DOLOMITE,ANHYDRIT E	NATURAL GAS,OIL	No
10	PADDOCK	-657	4330	4330	DOLOMITE	NATURAL GAS,OIL	Yes
11	BLINEBRY	-1095	4768	4768	DOLOMITE	NATURAL GAS,OIL	No
12	GLORIETA	-1893	5475	5475	SANDSTONE,SILTSTO NE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 9500

Equipment: All required equipment per Federal and State regulations to be in place prior to drilling out the Surface casing.

Requesting Variance? NO

Variance request:

Testing Procedure: BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure of 2000 psi per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure of 2000 psi. If the system is upgraded all the components installed will be functional and tested. Pipe rams will be

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

operationally checked each 24 hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Choke Diagram Attachment:

2M_Choke_Schematic_20171117095748.pdf

BOP Diagram Attachment:

2M_ANNULAR_BOP_20171117095755.pdf

	•	Se	ction	3 -	Cas	ing																
		÷ • .		_					_		_	_	_		_		_					
Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	410	0	410			410	H-40	48	STC	4.91	2.91	DRY	18.9 9	DRY	18.9 9
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	1225	0	1225			1225	J-55	40	STC	4.62	1.58	DRY	11.3 1	DRY	11.3 1
3	PRODUCTI ON	8.75	7.0	NEW	API	N	0	4045	0	4033			4045	L-80	29	LTC	5.19	1.61	DRY	3.52	DRY	3.52
4	PRODUCTI ON	8.75	5.5	NEW	API	N	4045	9766	4033	4469			5721	L-80	17	LTC	3.66	2.26	DRY	8.08	DRY	8.08

Casing Attachments

Casing ID: 1

String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Attachement_20171117095838.pdf

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Casing Attachments

Casing ID: 2 St

String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Attachement_20171117095913.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Attachement_20171117095952.pdf

Casing ID: 4

String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

Casing_Design_Attachement_20171117100029.pdf

Section 4 - Cement

.

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	410	400	1.32	14.8	528	85	Class C	2% CaCl2+ 0.25 pps CF

INTERMEDIATE	Lead	0	1225	250	2.45	11.8	612.5	183	50:50:10 C:Poz:Gel	5%Salt+5pps LCM+0.25pps CF
INTERMEDIATE	Tail			200	1.32	14.8	264		Class C	2% CaCl2
PRODUCTION	Lead	· 0	4045	400	2.01	12.5	804	173	35:65:6 C:Poz:Gel	5%Salt+5pps LCM+0.2%SMS+1%FL- 25+1%Ba-58+0.3%FL- 52A+0.125pps CF
PRODUCTION	Tail			400	1.37	14	548		50:50:2 C:Poz:Gel	5%salt+3pps LCM+0.6%SMS+1%FL- 25+1%Ba-58+0.125pps
PRODUCTION	Lead	4045	9766	0	0	0	0		Isolation Packers	See attached Production Cement Breakdown

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times.

Describe the mud monitoring system utilized: PVT/Pason/Visual Monitoring

Circulating Medium Table

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Top Depth	Bottom Depth	Mud Type	Min Weight (İbs/gal)	Max Weight (Ibs/gal)	Density (Ibs/cu ft)	Gel Strength (lbs/100 sqft)	Hd	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	4045	SALT SATURATED	10	10.2							
4045	9766	WATER-BASED MUD	8.5	9.2							
0	410	WATER-BASED MUD	8.6	8.8							

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Interval Perforating, Fracture stimulating, Flowback testing

List of open and cased hole logs run in the well:

CNL,MUDLOG

Coring operation description for the well:

N/A

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 1775

Anticipated Surface Pressure: 791.82

Anticipated Bottom Hole Temperature(F): 99

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

H2S_Plan_20171117100417.pdf Hobgoblin_7_Federal_Com_13H_H2S_Schematic_20171117100427.pdf

Weil Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

•

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

Hobgoblin_7_Federal_Com_13H_L1_p1_20171117100450.pdf

Other proposed operations facets description:

7" to be run from surface to kickoff point and changed over to 5 $\frac{1}{2}$ " with DV Tool and ECP at kickoff point. 5 $\frac{1}{2}$ " casing will be run from kickoff point to td and isolation packers set throughout curve and lateral. 7" to be cemented from kickoff point to surface.

Other proposed operations facets attachment:

Closed_Loop_Schematic_20171117100502.pdf

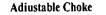
Hobgoblin_7_Federal_Com_13H_Contingent_Multi_Stage_Cmt_Plan_20171117100532.pdf Hobgoblin_7_Federal_Com_13H_Production_Cement_Breakdown_20171117100651.pdf

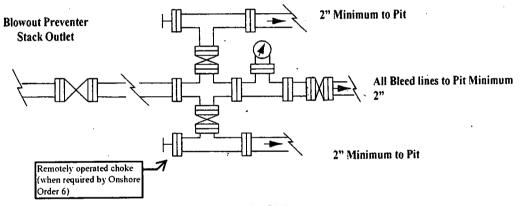
Hobgoblin_7_Federal_Com_13H_GCP_20171117100844.pdf

Other Variance attachment:

COG Operating LLC Exhibit #9 Choke Schematic

Choke Manifold Requirement (2000 psi WP)





Adjustable Choke

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

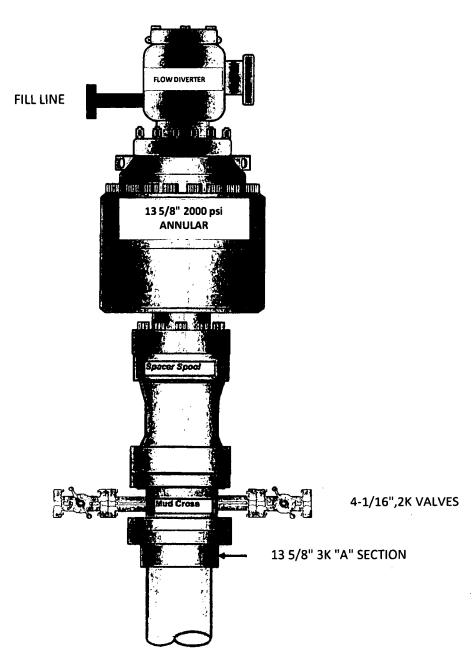
- 1. Drilling nipple to be so constructed that it can be removed without use of a welder through rotary table opening, with minimum I.D. equal to preventer bore.
- 2. Wear ring to be properly installed in head.

•

- 3. Blow out preventer and all fittings must be in good condition, 2000 psi WP minimum.
- 4. All fittings to be flanged.
- 5. Safety valve must be available on rig floor at all times with proper connections, valve to be full 2000 psi WP minimum.
- 6. All choke and fill lines to be securely anchored especially ends of choke lines.
- 7. Equipment through which bit must pass shall be at least as large as the diameter of the casing being drilled through.
- 8. Kelly cock on Kelly.
- 9. Extension wrenches and hands wheels to be properly installed.
- 10. Blow out preventer control to be located as close to driller's position as feasible.
- 11. Blow out preventer closing equipment to include minimum 40-gallon accumulator, two independent sources of pump power on each closing unit installation all API specifications.

Exhibit #10





	Collapse SF	Burst SF	Tension SF
RINA Minimum Cofety Fostor	1 1 2 5	1	1.6 Dry
BLM Minimum Safety Factor	1.125	L .	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Assumed 9.0ppg MW equivalent pore pressure from 9 5/8" shoe to deepest TVD in wellbore.

BLM standard formulas were used on all SF calculations. Casing design does meet and/or exceed BLM's minimum standards.

The pipe will be kept at a minimum 1/3 fluid fill to avoid approaching the collapse pressure rating of the casing.

This well is not located within the Capitan Reef. This well is not located in the SOPA or in the R-111-P.

This well is not located in a high or critical Cave/Karst area.

This is not a walking operation.

We will not be pre-setting casing.

	Collapse SF	Burst SF	Tension SF
BLM Minimum Safety Factor	1 125	1	1.6 Dry
	1.125	1	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Assumed 9.0ppg MW equivalent pore pressure from 9 5/8" shoe to deepest TVD in wellbore.

BLM standard formulas were used on all SF calculations. Casing design does meet and/or exceed BLM's minimum standards. The pipe will be kept at a minimum 1/3 fluid fill to avoid approaching the collapse pressure rating of the casing.

This well is not located within the Capitan Reef. This well is not located in the SOPA or in the R-111-P.

This well is not located in a high or critical Cave/Karst area.

This is not a walking operation.

We will not be pre-setting casing.

	Collapse SF	Burst SF	Tension SF
	1 125	4	1.6 Dry
BLM Minimum Safety Factor	1.125	Ţ	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Assumed 9.0ppg MW equivalent pore pressure from 9 5/8" shoe to deepest TVD in wellbore.

BLM standard formulas were used on all SF calculations.

Casing design does meet and/or exceed BLM's minimum standards.

The pipe will be kept at a minimum 1/3 fluid fill to avoid approaching the collapse pressure rating of the casing.

This well is not located within the Capitan Reef. This well is not located in the SOPA or in the R-111-P.

This well is not located in a high or critical Cave/Karst area.

This is not a walking operation.

We will not be pre-setting casing.

	Collapse SF	Burst SF	Tension SF
BLM Minimum Safety Factor	1 125	1	1.6 Dry
	1.125	Ţ	1.8 Wet

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

Assumed 9.0ppg MW equivalent pore pressure from 9 5/8" shoe to deepest TVD in wellbore.

BLM standard formulas were used on all SF calculations. Casing design does meet and/or exceed BLM's minimum standards. The pipe will be kept at a minimum 1/3 fluid fill to avoid approaching the collapse pressure rating of the casing.

This well is not located within the Capitan Reef. This well is not located in the SOPA or in the R-111-P.

This well is not located in a high or critical Cave/Karst area.

This is not a walking operation.

We will not be pre-setting casing.

COG Operating LLC

Hydrogen Sulfide Drilling Operation Plan

I. HYDROGEN SULFIDE TRAINING

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

- 1. The hazards an characteristics of hydrogen sulfide (H2S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H2S detectors alarms warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.

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

- 1. The effects of H2S on metal components. If high tensile tubular are to be used, personnel well be trained in their special maintenance requirements.
- 2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
- 3. The contents and requirements of the H2S Drilling Operations Plan and Public Protection Plan.

There will be an initial training session just prior to encountering a known or probable H2S zone (within 3 days or 500 feet) and weekly H2S and well control drills for all personnel in each crew. The initial training session shall include a review of the site specific H2S Drilling Operations Plan and the Public Protection Plan. The concentrations of H2S of wells in this area from surface to TD are low enough that a contingency plan is not required.

II. H2S SAFETY EQUIPMENT AND SYSTEMS

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

. Well Control Equipment:

- A. Flare line.
- B. Choke manifold with minimum of one remotely operated choke.
- C. Closed Loop Blow Down Tank
- D. Blind rams and pipe rams to accommodate all pipe sizes with properly sized closing unit.
- E. Auxiliary equipment may include if applicable: mud-gas separator, annular preventer & rotating head.

2. Protective equipment for essential personnel:

A. SCBA (Self contained breathing apparatus) 30-minute units located in the doghouse and at briefing areas, as indicated on well site diagram.

3. H2S detection and monitoring equipment:

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

4. Visual warning systems:

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

5. Mud program:

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

6. Metallurgy:

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

7. Communication:

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

8. Well testing:

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

EXHIBIT #7

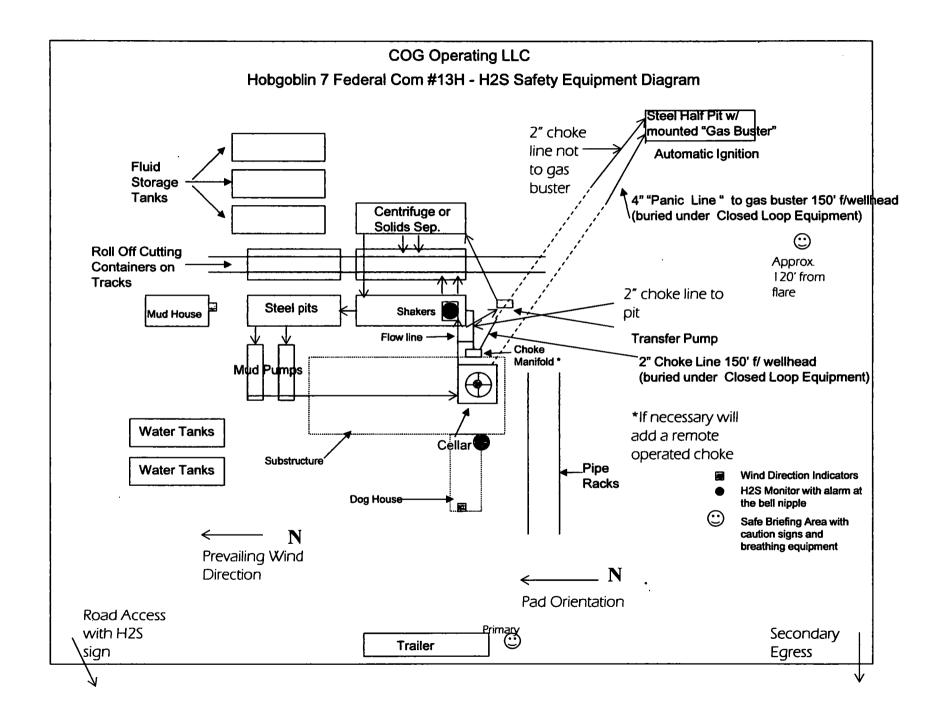
WARNING YOU ARE ENTERING AN H2S

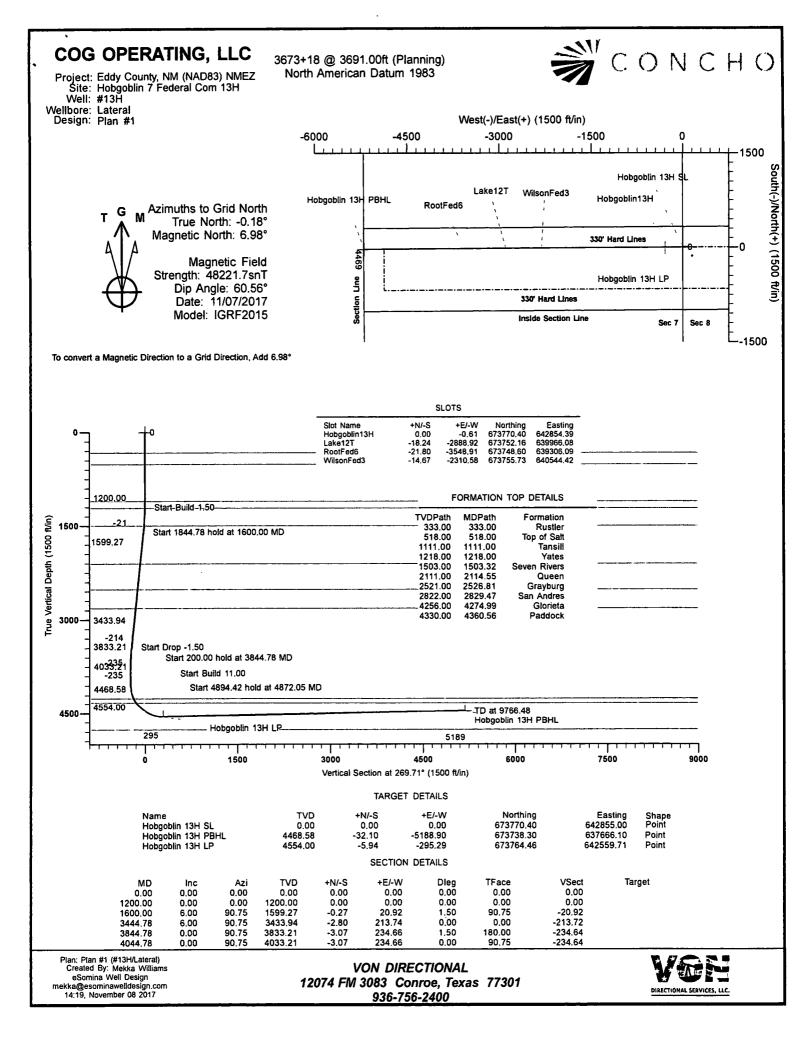
AUTHORIZED PERSONNEL ONLY

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

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

EDDY COUNTY EMERGENCY NUMBERS ARTESIA FIRE DEPT. 575-746-5050 ARTESIA POLICE DEPT. 575-746-5000 EDDY CO. SHERIFF DEPT. 575-746-9888 LEA COUNTY EMERGENCY NUMBERS HOBBS FIRE DEPT. 575-397-9308 HOBBS POLICE DEPT. 575-397-9285 LEA CO. SHERIFF DEPT. 575-396-1196







COG OPERATING, LLC

Eddy County, NM (NAD83) NMEZ Hobgoblin 7 Federal Com 13H #13H, 1650FNL,1FWL,SEC8/T17S/R30E/UNITE PP1653FNL,299FEL,SEC7/T17S/R30E/LOT2

Lateral

PLANNED BHL,1650FNL,10FWL,SEC7/T17S/R30E/LOT2

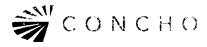
Standard Planning Report

08 November, 2017



• • • •

Project Map System: Geo Datum: Map Zone: Site Site Position: From: Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design Audit Notes:	US State North Amo New Mexi Hobgobl Map ty: #13H +N/-S +E/-W		983 ne om 13H Eastin 00 ft Slot R 0.00 ft No 0.00 ft Ea	-	64	3,770.40 ft	Latitude: Longitude: Grid Converge 40 ft Latitu			32° 51' 6.402 N 104° 0' 9.926 W 0.18 ' 32° 51' 6.402 N
Geo Datum: Map Zone: Site Site Position: From: Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design	North Ame New Mexi Hobgobl Map ty: #13H +N/-S +E/-W	erican Datum 1 co Eastern Zor in 7 Federal Co 0. 0.	ne om 13H Eastin 00 ft Slot R 0.00 ft No	ng: adlus: porthing: usting:	67 64	3,770.40 ft 2,855.00 ft 13.20 in 673,770.4	Latitude: Longitude: Grid Converge 40 ft Latitu	nce:		104° 0' 9.926 W 0.18 '
Map Zone: Site Site Position: From: Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design	New Mexi Hobgobl Map ty: #13H +N/-S +E/-W	co Eastern Zor in 7 Federal Co 0. (C	ne om 13H Eastin 00 ft Slot R 0.00 ft No	ng: adlus: porthing: usting:	64	2,855.00 ft 13.20 in 673,770.4	Longitude: Grid Converge			104° 0' 9.926 W 0.18 '
Site Site Position: From: Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design	Hobgobl Map ty: #13H +N/-S +E/-W ty	in 7 Federal Co 0. ((om 13H Northi Eastin 00 ft Slot R 0.00 ft No 0.00 ft Ea	ng: adlus: porthing: usting:	64	2,855.00 ft 13.20 in 673,770.4	Longitude: Grid Converge			104° 0' 9.926 W 0.18 '
Site Position: From: Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design	Map ty: #13H +N/-S +E/-W ty	0. 	Northi Eastin 00 ft Slot R 0.00 ft No 0.00 ft Ea	ng: adlus: porthing: usting:	64	2,855.00 ft 13.20 in 673,770.4	Longitude: Grid Converge			104° 0' 9.926 W 0.18 '
From: Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design	ty: #13H +N/-S +E/-W ty		Eastin 00 ft Slot R 0.00 ft No 0.00 ft Ea	ng: adlus: porthing: usting:	64	2,855.00 ft 13.20 in 673,770.4	Longitude: Grid Converge			104° 0' 9.926 W 0.18 '
Position Uncertainty Well Well Position Position Uncertainty Wellbore Magnetics Design	ty: #13H +N/-S +E/-W ty		00 ft Slot R 	adlus: orthing: isting:		13.20 in 673,770.4	Grid Converge			0.18 '
Well Well Position Position Uncertainty Wellbore Magnetics Design	#13H +N/-S +E/-W		0.00 ft No 0.00 ft Ea	orthing: isting:	Dn:	673,770.4	40 ft Latitu			
Well Position Position Uncertainty Wellbore Magnetics Design	+N/-S +E/-W ly	c	0.00 ft Ea	isting:	on:			ude:		32° 51' 6.402 N
Position Uncertainty Wellbore Magnetics Design	+E/-W	c	0.00 ft Ea	isting:	on:			ude:		32° 51' 6.402 N
Wellbore Magnetics Design	ty			-	on:	642,855.0				
Wellbore Magnetics Design			0.00 ft W	ellhead Elevatio	on:		00 ft Long	itude:		104° 0' 9.926 V
Magnetics Design	Lateral						Grou	nd Level:		3,673.00 f
Design										
	Mod	lei Name	Sampl	e Date	Declinat (°)	ion	Dip Ar (°)	-		itrength יד)
		IGRF2015		11/07/17	()	7.16		60.56		48,222
	Plan #1									
Adult Notes.										
Version:			Phas	e: Pi	ROTOTYPE	Tie	On Depth:	c	0.00	
Vertical Section:		п	epth From (T	ערא	+N/-S	+F	/-W	Dire	ction	
venical Section:			(ft)	* 0)	(ft)	_	ft)		°)	
			0.00		0.00	0.	00	269	9.71	
Plan Sections										
Measured Depth Incl (ft)	clination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	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	
1,600.00	6.00	90.75	1,599.27	-0.27	20.92	1.50	1.50	0.00	90.75	
3,444.78	6.00	90.75	3,433.94	-2.80	213.74	0.00	0.00 -1.50	0.00 0.00	0.00 180.00	
3,844.78	0.00	90.75	3,833.21	-3.07 -3.07	234.66 234.66	0.00	-1.50 0.00	0.00	90.75	
4,044.78	0.00 91.00	90.75 269.69	4,033.21 4,554.00	-3.07 -5.94	-295.29	11.00	11.00	0.00	269.69	
4,872.05 9,766.48		269.69 269.69	4,554.00 4,468.58	-32.42	-295.29	0.00	0.00	0.00		Hobgoblin 13H PBHL



Database: Company: Project: Site: Well: Wellbore: Design:

•

VON_EDM COG OPERATING, LLC Eddy County, NM (NAD83) NMEZ Hobgoblin 7 Federal Com 13H #13H Lateral Plan #1

Planned Survey

Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #13H 3673+18 @ 3691.00ft (Planning) 3673+18 @ 3691.00ft (Planning) Grid Minimum Curvature

Measured Depth	Inclination	Azimuth	Vertical Depth	+N/-S	+E/-W	Vertical Section	Dogleg Rate	Build Rate	Turn Rate
(ft)	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(°/100ft)	(°/100ft)	(°/100ft)
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
333.00	0.00	0.00	333.00	0.00	0.00	0.00	0.00	0.00	0.00
Rustler					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
518.00	0.00	0.00	518.00	0.00	0.00	0.00	0.00	0.00	0.00
Top of Salt									
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
	0.00	0.00	-	0.00	0.00	0.00			
1,100.00			1,100.00	0.00			0.00	0.00	0.00
1,111.00 Tansili	0.00	0.00	1,111.00	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
	0.00	90.75	1,200.00 1,218.00	0.00	0.00	-0.04		0.00	0.00
1,218.00	0.27	90.75	1,210.00	0.00	0.04	-0.04	1,50	1.50	0.00
Yates	4.50	~~ 75	4 000 00	~ ~~					
1,300.00	1.50	90.75	1,299.99	-0.02	1.31	-1.31	1.50	1.50	0.00
1,400.00	3.00	90.75	1,399.91	-0.07	5.23	-5.23	1.50	1.50	0.00
1,500.00	4.50	90.75	1,499.69	-0.15	11.77	-11.77	1.50	1,50	0.00
1,503.32	4.55	90.75	1,503.00	-0.16	12.04	-12.03	1.50	1.50	0.00
Seven Rivers									
1,600.00	6.00	90.75	1,599.27	-0.27	20.92	-20.92	1.50	1.50	0.00
1,700.00	6.00	90.75	1,698.72	-0.41	31.37	-31.37	0.00	0.00	0.00
1,800.00	6.00	90.75	1,798.17	-0.55	41.83	-41.82	0.00	0.00	0.00
1,900.00	6.00	90.75	1,897.63	-0.68	52.28	-52.27	0.00	0.00	0.00
2,000.00	6.00	90.75	1,997.08	-0.82	62.73	-62.73	0.00	0.00	0.00
2,100.00	6.00	90.75	2,096.53	-0.96	73.18	-73.18	0.00	0.00	0.00
2,114.55	6.00	90.75	2,111.00	-0.98	74.70	-74.70	0.00	0.00	0.00
Queen									
2,200.00	6.00	90.75	2,195.98	-1,09	83.63	-83.63	0.00	0.00	0.00
2,300.00	6.00	90.75	2,295.43	-1.23	94.09	-94.08	0.00	0.00	0.00
2,400.00	6.00	90.75	2,394.89	-1.37	104.54	-104.53	0.00	0.00	0.00
2,500.00	6.00	90.75	2,494.34	-1.51	114.99	-114.98	0.00	0.00	0.00
2,526.81	6.00	90.75	2,521.00	-1.54	117.79	-117,78	0.00	0.00	0.00
Grayburg									
2,600.00	6.00	90.75	2,593.79	-1.64	125.44	-125.43	0.00	0.00	0.00
2,700.00	6.00	90.75	2,693.24	-1.78	135.89	-135.88	0.00	0.00	0.00
2,800.00	6.00	90.75	2,792.70	-1.92	146.35	-146.34	0.00	0.00	0.00
2,829.47	6.00	90.75	2,822.00	-1.96	149.43	-149.41	0.00	0.00	0.00
San Andres									
2,900.00	6.00	90.75	2,892.15	-2.05	156.80	-156.79	0.00	0.00	0.00
3,000.00	6.00	90.75	2,991.60	-2.19	167.25	-167.24	0.00	0.00	0.00
3,100.00	6.00	90.75	3,091.05	-2.33	177.70	-177.69	0.00	0.00	0.00
3,200.00	6.00	90.75	3,190.50	-2.46	188,15	-188.14	0.00	0.00	0.00
3,300.00	6.00	90.75	3,289.96	-2.60	198.61	-198.59	0.00	0.00	0.00
3,400.00	6.00	90.75	3,389.41	-2.74	209.06	-209.04	0.00	0.00	0.00
3,444.78	6.00	90.75	3,433.94	-2.80	213.74	-203.04	0.00	0.00	0.00
3,500.00	5.17	90.75	3,488.90	-2.87			1.50		
3,300.00	5.17	90.75	5,400.90	-2.07	219.11	-219.10	1.50	-1.50	0.00

COMPASS 5000.14 Build 85



Planned Survey	•		
Design:	Plan #1		
Wellbore:	Lateral		
Well:	#13H	Survey Calculation Method:	Minimum Curvature
Site:	Hobgoblin 7 Federal Com 13H	North Reference:	Grid
Project:	Eddy County, NM (NAD83) NMEZ	MD Reference:	3673+18 @ 3691.00ft (Planning)
Company:	COG OPERATING, LLC	TVD Reference:	3673+18 @ 3691.00ft (Planning)
Database:	VON_EDM	Local Co-ordinate Reference:	Well #13H

Measured		•	Vertical			Vertical	Dogleg	Build	Turn	
Depth (ft)	Inclination (°)	Azimuth (°)	Depth (ft)	+N/-S (ft)	+E/-W (ft)	Section (ft)	Rate (°/100ft)	Rate (°/100ft)	Rate (°/100ft)	
3,600.00	3.67	90.75	3,588.60	-2.97	226.82	-226.80	1.50	-1.50	0.00	
3,700.00	2.17	90.75	3,688.47	-3.04	231.92	-231.90	1.50	-1.50	0.00	
3,800.00	0.67	90.75	3,788.43	-3.07	234.40	-234.38	1.50	-1.50	0.00	
3,844.78	0.00	90.75	3,833.21	-3.07	234.66	-234.64	1.50	-1.50	0.00	
3,900.00	0.00	0.00	3,888.43	-3.07	234.66	-234.64	0.00	0.00	0.00	
4,000.00	0.00	0.00	3,988.43	-3.07	234.66	-234.64	0.00	0.00	0.00	
4,044.78	0.00	90.75	4,033.21	-3.07	234.66	-234.64	0.00	0.00	0.00	
4,050.00	0.57	269.69	4,038.43	-3.07	234.64	-234.62	11.00	11.00	0.00	
4,100.00	6.07	269.69	4,088.33	-3.09	231.74	-231.72	11.00	11.00	0.00	
4,150.00	11.57	269.69	4,137.72	-3.13	224.07	-224.05	11.00	11.00	0.00	
4,200.00	17.07	269.69	4,186.15	-3.20	211.70	-211.69	11.00	11.00	0.00	
4,250.00	22.57	269.69	4,233.16	-3.29	194.75	-194.74	11.00	11.00	0.00	
4,274.99	25.32	269.69	4,256.00	-3.34	184.61	-184.59	11.00	11.00	0.00	
Glorieta			-							
4,300.00	28.07	269.69	4,278.34	-3.40	173.38	-173.36	11.00	11.00	0.00	
4,350.00	33.57	269.69	4,321.26	-3.54	147.77	-147.75	11.00	11.00	0.00	
4,360.56	34.74	269.69	4,330.00	-3,57	141.84	-141.82	11.00	11.00	0.00	
Paddock										
4,400.00	39.07	269.69	4,361.53	-3.70	118.16	-118.14	11.00	11.00	0.00	
4,450.00	44.57	269.69	4,398.78	-3.88	84.83	-84.81	11.00	11.00	0.00	
4,500.00	50.07	269.69	4,432.66	-4.08	48.09	-48.06	11.00	11.00	0.00	
4,550.00	55.57	269.69	4,462.86	-4.30	8.26	-8.24	11.00	11.00	0.00	
4,600.00	61.07	269.69	4,489.10	-4.53	-34.27	34.29	11,00	11.00	0.00	
4,650.00	66.57	269.69	4,511.15	-4.77	-79.13	79.15	11.00	11.00	0.00	
4,700.00	72.07	269.69	4,528.80	-5.02	-125.89	125.91	11.00	11.00	0.00	
4,750.00	77.57	269.69	4,541.88	-5.28	-174.12	174.15	11.00	11.00	0.00	
4,800.00	83.07	269.69	4,550.28	-5.55	-223.39	223.42	11.00	11.00	0.00	
4,850.00	88.57	269.69	4,553.92	-5.82	-273.24	273.27	11.00	11.00	0.00	
4,872.05	91.00	269,69	4,554.00	-5.94	-295.29	295.32	11.00	11.00	0.00	
4,900.00	91.00	269.69	4,553.52	-6.09	-323.23	323.26	0.00	0.00	0.00	
5,000.00	91.00	269.69	4,551.77	-6.63	-423.22	423.25	0.00	0.00	0.00	
5,100.00	91.00	269.69	4,550.03	-7.17	-523.20	523.23	0.00	0.00	0.00	
5,200.00	91.00	269.69	4,548.28	-7.71	-623.18	623.22	0.00	0.00	0.00	
5,300.00	91.00	269.69	4,546.54	-8.25	-723.17	723.20	0.00	0.00	0.00	
5,400.00	91.00	269.69	4,544.79	-8.80	-823.15	823.18	0.00	0.00	0.00	
5,500.00	91.00	269.69	4,543.05	-9.34	-923.13	923.17	0.00	0.00	0.00	
5,600.00	91.00	269.69	4,541.30	-9.88	-1,023.12	1,023.15	0.00	0.00	0.00	
5,700.00	91.00	269.69	4,539.55	-10.42	-1,123.10	1,123.14	0.00	0.00	0.00	
5,800.00	91.00	269.69	4,537.81	-10.96	-1,223.08	1,223.12	0.00	0.00	0.00	
5,900.00	91.00	269.69	4,536.06	-11.50	-1,323.07	1,323.11	0.00	0.00	0.00	
6,000.00	91.00	269.69	4,534.32	-12.04	-1,423.05	1,423.09	0.00	0.00	0.00	
6,100.00	91.00	269.69	4,532.57	-12.58	-1,523.03	1,523.08	0.00	0.00	0.00	
6,200.00	91.00	269.69	4,530.83	-13.12	-1,623.02	1,623.06	0.00	0.00	0.00	-
6,300.00	91.00	269.69	4,529.08	-13.66	-1,723.00	1,723.05	0.00	0.00	0.00	
6,400.00	91.00	269.69	4,527.34	-14.20	-1,822.98	1,823.03	0,00	0.00	0.00	
6,500.00	91.00	269.69	4,525.59	-14.75	-1,922.97	1,923.02	0.00	0.00	0.00	
6,600.00	91.00	269.69	4,523.85	-15.29	-2,022.95	2,023.00	0.00	0.00	0.00	
6,700.00	91.00	269.69	4,522.10	-15.83	-2,122.93	2,122.99	0.00	0.00	0.00	
6,800.00	91.00	269.69	4,520,36	-16.37	-2,222.92	2,222.97	0.00	0.00	0.00	
6,900.00	91.00	269.69	4,518.61	-16.91	-2,322.90	2,322.96	0.00	0.00	0.00	
7,000.00	91.00	269.69	4,516.87	-17.45	-2,422.88	2,422.94	0.00	0.00	0.00	
7,100.00	91.00	269.69	4,515.12	-17.99	-2,522.87	2,522.93	0.00	0.00	0.00	
7,200.00	91.00	269.69	4,513.38	-18.53	-2,622.85	2,622.91	0.00	0.00	0.00	
7,300.00	91.00	269.69	4,511.63	-19.07	-2,722.83	2,722.90	0.00	0.00	0.00	

.

COMPASS 5000.14 Build 85



Database: Company: Project: Site: Well: Wellbore:

Design:

VON_EDM COG OPERATING, LLC Eddy County, NM (NAD83) NMEZ Hobgoblin 7 Federal Com 13H #13H Lateral Plan #1 Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: Well #13H 3673+18 @ 3691.00ft (Planning) 3673+18 @ 3691.00ft (Planning) Grid Minimum Curvature

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N (f		+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,400.00	91.00	269.69	4,509.8	39	-19.61	-2,822.82	2,822.88	0.00	0.00	0.00
7,500.00	91.00	269.69	4,508.1	14	-20.16	-2,922.80	2,922.86	0.00	0.00	0.00
7,600.00	91.00	269.69	4,506.3	39	-20.70	-3,022.78	3,022.85	0.00	0.00	0.00
7,700.00	91.00	269.69	4,504.6	65	-21.24	-3,122.77	3,122.83	0.00	0.00	0.00
7,800.00	91.00	269.69	4,502.9	90	-21.78	-3,222.75	3,222.82	0.00	0.00	0.00
7,900.00	91.00	269.69	4,501.1	16	-22.32	-3,322.73	3,322.80	0.00	0.00	0.00
8,000.00	91.00	269.69	4,499.4	\$1	-22.86	-3,422.72	3,422.79	0.00	0.00	0.00
8,100.00	91.00	269.69	4,497.6	67	-23.40	-3,522.70	3,522.77	0.00	0.00	0.00
8,200.00	91.00	269.69	4,495.9	92	-23.94	-3,622.68	3,622.76	0.00	0.00	0.00
8,300.00	91.00	269.69	4,494.1	18	-24.48	-3,722.67	3,722.74	0.00	0.00	0.00
8,400.00	91.00	269.69	4,492.4	43	-25.02	-3,822.65	3,822.73	0.00	0.00	0.00
8,500.00	91.00	269.69	4,490.6	39	-25.57	-3,922.63	3,922.71	0.00	0.00	0.00
8,600.00	91.00	269,69	4,488.9	94	-26.11	-4,022.62	4,022.70	0.00	0.00	0.00
8,700.00	91.00	269.69	4,487.3	20	-26.65	-4,122.60	4,122.68	0.00	0.00	0.00
8,800.00	91.00	269.69	4,485.4	45	-27.19	-4,222.58	4,222.67	0.00	0.00	0.00
8,900.00	91.00	269.69	4,483.7	71	-27.73	-4,322.57	4,322.65	0.00	0.00	0.00
9,000.00	91.00	269.69	4,481.9	96	-28.27	-4,422.55	4,422.64	0.00	0.00	0.00
9,100.00	91.00	269.69	4,480.2	22	-28.81	-4,522.53	4,522.62	0.00	0.00	0.00
9,200.00	91.00	269.69	4,478.4	47	-29.35	-4,622.52	4,622.61	0.00	0.00	0.00
9,300.00	91.00	269.69	4,476.7	73	-29.89	-4,722.50	4,722.59	0.00	0.00	0.00
9,400.00	91.00	269.69	4,474.9	98	-30.43	-4,822.48	4,822.58	0.00	0.00	0.00
9,500.00	91.00	269.69	4,473.2	24	-30.97	-4,922.47	4,922.56	0.00	0.00	0.00
9,600.00	91.00	269.69	4,471.4	49	-31.52	-5,022.45	5,022.54	0.00	0.00	0.00
9,700.00	91.00	269.69	4,469.7	74	-32.06	-5,122.43	5,122.53	0.00	0.00	0.00
9,766.48	91.00	269.69	4,468.	58	-32.42	-5,188.90	5,189.00	0.00	0.00	0.00
gn Targets						<u> </u>	<u> </u>		······	
et Name										
hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northin	g E	asting		
Shape	(°)	(°)	(ft)	(ft)	(ft)	(ft)		(ft)	Latitude	Longitud
goblin 13H SL - plan hits target c - Point	0.00 enter	0.07	0.00	0.00	0.00	673,7	70.40	642,855.00	32° 51' 6.402 N	104° 0' 9

673,764.46

642,559.71

32° 51' 6.352 N

Hobgoblin 13H LP

- Point

- plan hits target center

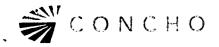
0.00

0.07 4,554.00

-5.94

-295.29

104° 0' 13.388 W



.

~

Formations	Measured Vertical		Dip		
Wellbore: Design:	Lateral Plan #1				
Well:	#13H	Survey Calculation Method:	Minimum Curvature		
Site:	Hobgoblin 7 Federal Com 13H	North Reference:	Grid		
Project:	Eddy County, NM (NAD83) NM	Z MD Reference:	3673+18 @ 3691.00ft (Planning)		
Company:	COG OPERATING, LLC	TVD Reference:	3673+18 @ 3691.00ft (Planning)		
Database:	VON_EDM	Local Co-ordinate Reference:	Well #13H		

(ft)	(ft)		Name	Lithology	(*)	(°)	
333.00	333.00	Rustler					
518.00	518.00	Top of Salt					
1,111.00	1,111.00	Tansill					
1,218.00	1,218.00	Yates					
1,503.32	1,503.00	Seven Rivers					
2,114.55	2,111.00	Queen					
2,526.81	2,521.00	Grayburg					
2,829.47	2,822.00	San Andres	•				
4,274.99	4,256.00	Glorieta					
 4,360.56	4,330.00	Paddock					

.

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

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

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

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

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

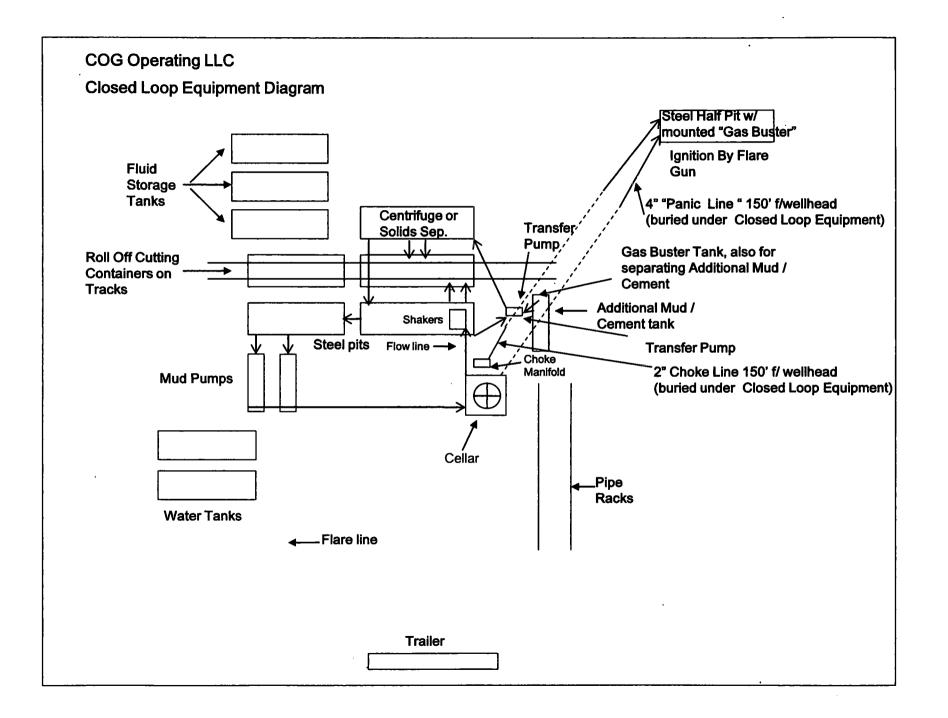
This equipment will be maintained 24 hrs./day by solids control personnel and or rig crews that stay on location.

Cuttings will be hauled to either:

.

CRI (permit number R9166) or GMI (permit number 711-019-001)

dependent upon which rig is available to drill this well.



Contingent Multi-Stage Cement Discussion:

COG does not anticipate losing circulation or encountering water flows while drilling this well. If these situations arise, COG requests approval in this APD to set DV tools where necessary immediately without having to shut down the rig and wait for sundry approval.

Lost Circulation or Water flow Contingent DV Tool Cement Plans are as follows:

- If lost circulation occurs while drilling the 12 ¼" intermediate hole, it may become necessary to set a DV tool in the 9 5/8" casing. The DV tool depth will be based on hole conditions and cement volumes will be adjusted proportionally. If the DV Tool is needed, it will be set a minimum of 50 feet below the previous casing and a minimum of 200 feet above the current shoe.
- 2. If water flows in the San Andres are encountered, it may become necessary to set a DV tool in the 7" casing. These water flows normally occur in areas where produced water disposal is happening. This dense cement is used to combat water flows. This cement recipe also has a right angle set time and is mixed a little under saturated so the water flow will be absorbed by cement. The DV tool depth will be based on hole conditions and cement volumes will be adjusted proportionally. If the DV tool is needed, it will be set a minimum of 50 feet below the previous casing and a minimum of 200 feet above the current shoe.

Casing	Bottom	Lead	Cement	Additives	Quantity	Yield	Density
, -	MD of	or Tail	Туре		(Sks)	(cu.ft./sk)	(lbs./gal)
	Segment						
		1 st	50:50:10	5% Salt + 5 pps LCM + 0.25	150	2.45	11.8
Inter.		Lead	C: Poz:Gel	pps CF			
Multi-	+/- 900'	1 st Tail	Class C	2% Cacl2	200	1.32	14.8
Stage		2 nd	50:50:10	5% Salt + 5 pps LCM + 0.25	200	2.45	11.8
		Lead	C: Poz:Gel	pps CF			
		1 st	35:65:6	5% salt+5 pps LCM+0.2% SMS	200	2.01	12.5
-		Lead	C:Poz Gel	+ 1% FL-25+1% BA-58+0.3%			
				FL-52A+ 0.125 pps CF			
		1 st Tail	Class C	0.3% R-3 + 1.5% CD-32	2300	1.37	14
Prod.		2 nd	35:65:6	5% salt + 5 pp LCM + 0.2%	650	2.01	12.5
Multi-	+/- 3000'	Lead	C:Poz Gel	SMS + 1% FL-25+ 1% BA-58 +			
Stage				0.3% FL-52A + 0.125 pps CF			
		2 nd	50:50:2 C:	5% salt + 3 pps LCM + 0.6%	150	0.99	16.8
		Tail	PozGel	SMS + 1% FL-25 + 1% BA-58 +			
				0.125 pps CF			

Production Cement Breakdown

Hole Volumes							
Hole Section (Length)	Capacity Casing (ft3/Lin.ft) Cu.Ft		Total Cu.Ft	% Excess			
0-1225 (1225)	7"	0.1585	194.16	194.16	0		
1225-4045 (2820)	7"	7" 0.1503	423.8	423.8	173%		
	(Length) 0-1225 (1225) 1225-4045	Hole Section (Length) Casing 0-1225 7" (1225) 7"	Hole Capacity Section Capacity (Length) Casing (ft3/Lin.ft) 0-1225 7" 0.1585 (1225) 7" 0.1503	Hole Capacity Section Capacity (Length) Casing (ft3/Lin.ft) 0-1225 7" 0.1585 (1225) 7" 0.1503 1225-4045 7" 0.1503	Hole Capacity Total Section Casing (ft3/Lin.ft) Cu.Ft Total 0-1225 7" 0.1585 194.16 194.16 1225-4045 7" 0.1503 423.8 423.8		

Well: Hobgoblin 7 Federal Com #13H

Cement Volumes							
Blend	Cement Sacks	Yield Weight		Volume	Total Volume		
35:65:6	400	2.01	12.5	804	1352		
50:50:02	400	1.37	14	548	1552		

% Excess Calculation					
Total Volume	1352	1157.84			
Cu.Ft	-194.16	/423.8			
	1157.84	173%excess			

Ł

7" to be run from surface to kickoff point and changed over to 5 1/2" with DV Tool and ECP at kickoff point. 5 1/2" casing will be run from kickoff point to td and isolation packers set throughout curve and lateral. 7" to be cemented from kickoff point to surface.

AFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400024733

Operator Name: COG OPERATING LLC

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Type: OIL WELL

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

Hobgoblin_7_Federal_Com_13H_Vicinity_plat_20171117100855.pdf

Existing Road Purpose: ACCESS, FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES							
New Road Map:							
Hobgoblin_7_Federal_Co	m_13H_New_Road	_plat_20171117100910.pdf					
New road type: RESOUR	RCE						
Length: 181.36	Feet	Width (ft.): 30					
Max slope (%): 3		Max grade (%): 1					
Army Corp of Engineers	; (ACOE) permit rec	juired? NO					
ACOE Permit Number(s):							
New road travel width: 30							
New road access erosion control: Water will be diverted where necessary to avoid p good drainage and to be consistent with local drainage patterns. New road access plan or profile prepared? YES							
New road access plan a	ttachment:						
New_Access_Road_Plan_20171117100939.pdf							

Access road engineering design? NO

ponding, prevent erosion, maintain

-Nghilphied dele close the most iccorf Gienges

Show Final Text

Well Work Type: Drill

Well Number: 13H

Submission Date: 11/29/2017

. Margaret

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: BOTH

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description: Surfacing material will consist of native caliche. Caliche will be obtained from the actual well site if available. Secondary candidate source will be NMSLO Caliche Pit located in S2/SW4 of Sec 32, T16S, R30E. Onsite topsoil removal process: See Attached New Access Road Plan

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage and to be consistent with local drainage patterns.

Road Drainage Control Structures (DCS) description: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage and to be consistent with local drainage patterns.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

Hobgoblin_7_Federal_Com_13H_1mileRadius_Map_20171117100957.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: If the well is productive, contemplated facilities will be as follows: Two (2) proposed flowlines, will follow an archaeologically approved route to the Hobgoblin 7 Federal Com 4H Tank Battery located in Section 7 in T17S R30E. The flowlines will be SDR 7 3" poly line laid on the surface and will be approximately 1408 feet in length. Normal working pressure of the flowlines will be below 70 psi and carry a mixture of produced oil, water, and gas. Flowlines will follow existing well-traveled or proposed roads. The tank battery and facilities including all flow lines and piping will be

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

installed according to API specifications.

Production Facilities map:

Hobgoblin_7_Federal_Com_13H_Flowlines_Map_20171117101007.pdf

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: DUST CONTROL, INTERMEDIATE/PRODUCTION CASING, SURFACE CASING Describe type:

Source latitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: COMMERCIAL

Water source transport method: PIPELINE, TRUCKING

Source transportation land ownership: COMMERCIAL

Water source volume (barrels): 8000

Source volume (gal): 336000

Water source and transportation map:

Loco_Hills_Water_Disposal_Co_Water_Supply_20171117101117.pdf

Caswell_Ranch_Water_Supply_20171117101124.pdf

Water source comments: The well will be drilled with combination brine and fresh water mud system as outlined in the drilling program. 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 Vicinity Map. A fresh water source is nearby and fast line may be laid along existing road ROW's and fresh water pumped to the well. Water will originate from private wells location described on the attached "Loco Hills Water Disposal Co" map attached to this APD. James R. Maloney, 575-677-2118. A secondary water source will be from 1 and/or all of the 3 private wells location depicted on the attached "Caswell Ranch Water Supply" Map. No water well will be drilled on the location.

New water well? NO

New Water Well Info

Well latitude:	Well Longitude:	Well datum:
Well target aquifer:		
Est. depth to top of aquifer(ft):	Est thickness of aquife	r:
Aquifer comments:		
Aquifer documentation:		
Well depth (ft):	Well casing type:	
Well casing outside diameter (in.):	Well casing inside diame	ter (in.):

Water source type: GW WELL

Source longitude:

Source volume (acre-feet): 1.0311447

Operator Name: COG OPERATING LLC
Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Used casing source:

Casing top depth (ft.): Completion Method:

Drill material:

Grout depth:

New water well casing?

Drilling method:

Grout material:

Casing length (ft.):

Well Production type:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Surfacing material will consist of native caliche. Caliche will be obtained from the actual well site if available. Secondary candidate source will be NMSLO Caliche Pit located in S2/SW4 of Sec 32, T16S, R30E. A third candidate source will be Caswell Ranch owned Caliche Pit located in NESE of Sec 9, T17S, R32E. **Construction Materials source location attachment:**

Construction_Turn_Over_Procedure_20171117101139.pdf NMSLO_Caliche_Pit_20171117101145.pdf

Caswell_Ranch_Caliche_Pit_20171117101151.pdf

Section 7 - Methods for Handling Waste

Waste type: PRODUCED WATER

Waste content description: Produced Water

Amount of waste: 100 barrels

Waste disposal frequency : Daily

Safe containment description: Steel Tanks

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: STATE FACILITY

Disposal type description:

Disposal location description: NMOCD approved commercial disposal facility. R360's disposal site located at 4507 West Carlsbad Highway, Hobbs, NM 88240.

Waste type: GARBAGE

Waste content description: Garbage and trash produced during drilling and completion operations.

Amount of waste: 100 pounds

Waste disposal frequency : Weekly

Safe containment description: Trash Bin

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: STATE

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

FACILITY

Disposal type description:

Disposal location description: Garbage and trash to be collected in trash bin and hauled to Lea Landfill LLC. Located at mile marker 64, Highway 62-180 East, PO Box 3247, Carlsbad, NM 88221. No toxic waste or hazardous chemicals will be produced by this operation.

Waste type: DRILLING

Waste content description: Drill cuttings and drilling fluids

Amount of waste: 100 barrels

Waste disposal frequency : Daily

Safe containment description: Closed Loop System

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: FEDERAL

FACILITY Disposal type description:

Disposal location description: R360's disposal site located at 4507 West Carlsbad Highway, Hobbs, NM 88240.

Waste type: SEWAGE

Waste content description: Human waste and grey water

Amount of waste: 100 gallons

Waste disposal frequency : Weekly

Safe containment description: Portable septic system and/or portable waste gathering system.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: COMMERCIAL FACILITY

Disposal type description:

Disposal location description: Hauled to NMOCD approved waste disposal facility.

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Closed Loop Mud System: Roll-off Style Mud Box

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

Hobgoblin_7_Federal_Com_13H_Well_Site_plat_20171117101209.pdf Hobgoblin_7_Federal_Com_13H_Interim_Reclamation_plat_20171117101216.pdf **Comments:**

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance Multiple Well Pad Name:

Multiple Well Pad Number:

Recontouring attachment:

Drainage/Erosion control construction: No sedimentation or erosion control will be necessary on this location as it is generally flat with little to no slope or cut and fill.

Drainage/Erosion control reclamation: No sedimentation or erosion control will be necessary on this location as it is generally flat with little to no slope or cut and fill.

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

	-	
Well pad proposed disturbance (acres): 2.73	Well pad interIm reclamation (acres): 0.87	Well pad long term disturbance (acres): 1.86
Road proposed disturbance (acres):	Road interim reclamation (acres): 0	Road long term disturbance (acres):
0.12 Rewarling proposed disturbance	Powerline interim reclamation (acres):	0.12 Bowerline long term disturbance
Powerline proposed disturbance (acres): 0.12	0	(acres): 0.12
Pipeline proposed disturbance	Pipeline interim reclamation (acres): 0	Pipeline long term disturbance
(acres): 0.97	Other interim reclamation (acres): 0	(acres): 0.97 Other long term disturbance (acres): 0
Other proposed disturbance (acres): (Total interim reclamation: 0.87	
Total proposed disturbance: 3.94		Total long term disturbance: 3.07

Disturbance Comments:

Reconstruction method: After well is completed, the pad will be downsized be 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.

Topsoil redistribution: The stockpiled topsoil will be spread out on reclaimed area and reseeded with a BLM approved seed mixture.

Soil treatment: Interim reclamation as identified during on-site.

Existing Vegetation at the well pad: Grassland area with sandy topsoil. Vegetation is moderately sparse with Native prairie grasses, some mesquite and shinnery oak.

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Grassland area with sandy topsoil. Vegetation is moderately sparse with Native prairie grasses, some mesquite and shinnery oak. **Existing Vegetation Community at the road attachment:**

Existing Vegetation Community at the pipeline: Grassland area with sandy topsoil. Vegetation is moderately sparse with Native prairie grasses, some mesquite and shinnery oak.

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Grassland area with sandy topsoil. Vegetation is moderately sparse with Native prairie grasses, some mesquite and shinnery oak. Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Seed Management

Seed Table

Seed type:

Seed name:

Source name:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Seed source:

Source address:

Total pounds/Acre:

Proposed seeding season:

Seed Summary **Pounds/Acre** Seed Type

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name:

Last Name:

Seedbed prep:

Seed BMP:

Phone:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Approved EPA and BLM requirements and policies for weed control methods will be followed.

Weed treatment plan attachment:

Monitoring plan description: Evaluation of growth will be made after the completion of one full growing season after seeding. -OR- BLM representative will be contacted prior to commencing construction of well pad and road. BLM representative will also be contacted prior to commencing reclamation work. Monitoring plan attachment:

Success standards: 80% coverage by 2nd growing season of native species with less than 5% invasive species.

Pit closure description: N/A

Pit closure attachment:

Email:

Operator Name: COG OPERATING LLC Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

Section 11 - Surface Ownership

Disturbance type: PIPELINE

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

Well Name: HOBGOBLIN 7 FEDERAL COM

Disturbance type: EXISTING ACCESS ROAD

Well Number: 13H

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

Describe: Surface Owner: BUREAU OF LAND MANAGEMENT Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

Disturbance type: NEW ACCESS ROAD

Other surface owner description:

Surface Owner: BUREAU OF LAND MANAGEMENT

USFS Ranger District:

.

.

USFS Ranger District:

BOR Local Office:

BIA Local Office:

Describe:

COE Local Office:

DOD Local Office:

Well Name: HOBGOBLIN 7 FEDERAL COM

Well Number: 13H

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? NO

Use APD as ROW?

ROW Type(s):

ROW Applications

SUPO Additional Information: 1. It will be necessary to run electric power if this well is productive. Power will be provided by CVE. There will be no necessary electric line construction for this well. CVE operates an existing primary line parallel to the well pad; therefor no poles will be set off the well pad disturbance. There is no permanent or live water in the immediate area. 2. There are no dwellings within 2 miles of this location. 3. If needed, a Cultural Resources Examination is being prepared by Boone Arch Services of New Mexico, LLC. Carlsbad, NM, 88220. 506 E Chapman Rd., phone # 575.887.7667 and the results will be forwarded to your office in the near future. Otherwise, COG will be participating in the Permian Basin MOA Program.

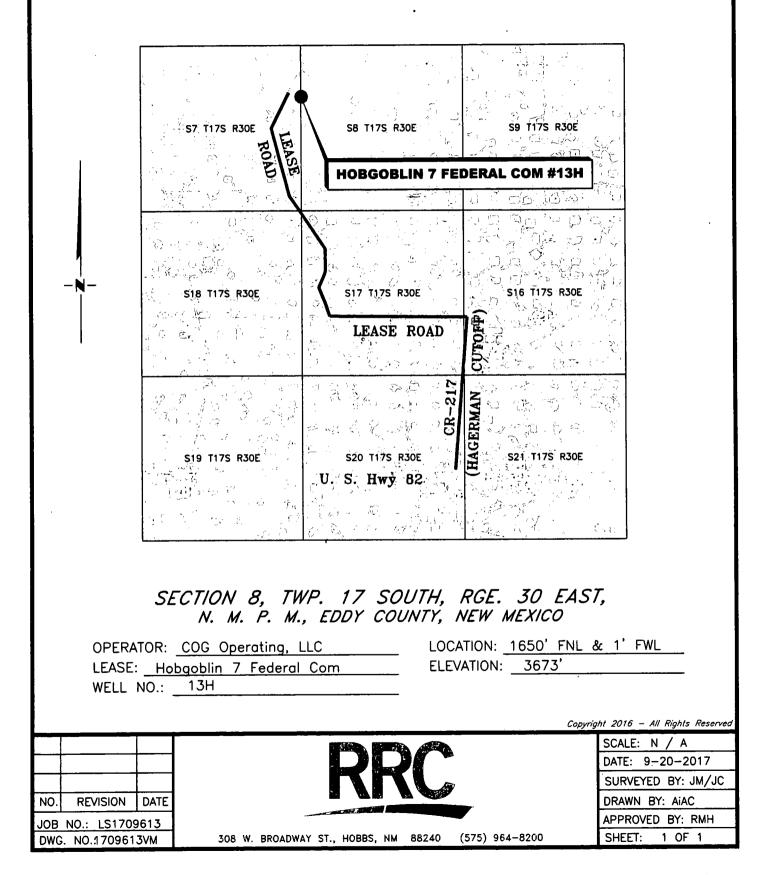
Use a previously conducted onsite? YES

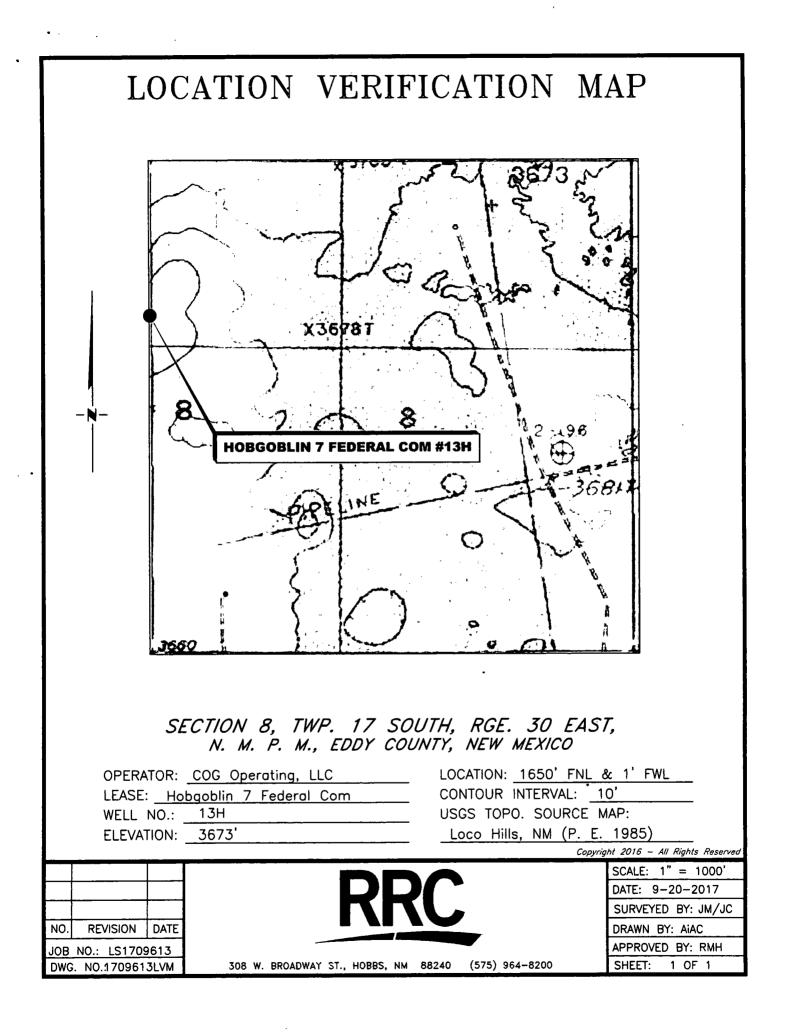
Previous Onsite information: Previous on-site performed on 10/12/17 by Jeff Robertson(BLM), Tim Baker(COG), Bryan Chaves(RRC).

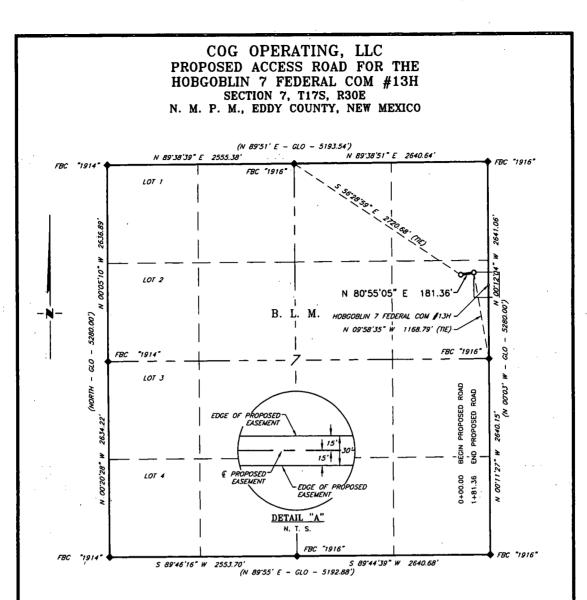
Other SUPO Attachment

VICINITY MAP

NOT TO SCALE







DESCRIPTION

A strip of land 30 feet wide, being 181.36 feet or 10.992 rods in length, lying in Section 7, Township 17 South, Range 30 East, N. M. P. M., Eddy County, New Mexico, being 15 feet left and 15 feet right of the following described survey of a centerline across B. L. M. land:

BEGINNING at Engr. Sta. 0+00, a point in the Northeast quarter of Section 7, which bears, S 56'28'59" E, 2,720.68 feet from a brass cap, stamped "1916", found for the North quarter corner of Section 7;

Thence, N 80°55'05" E, 181.36 feet, to Engr. Sta. 1+81.36, the End of Survey, a point in the Northeast quarter of Section 7, which bears, N 09'58'35" W, 1,168.79 feet from a brass cap, stamped "1916", found for the East quarter corner of Section 7.

Said strip of land contains 0.125 acres, more or less, and is allocated by forties as follows:

	SCALE	: 1 = 500'	1000'	SE	1/4	NE 1/4	10.992	Rods	0.125 Acres	ot M. Ho
-		FOUND AS NOT	Z. GROUN)) DATA - MONUMEI	ND. GLO NT	,	certify that I pr made on the gr survey and plat	epared t round un meet th M. and e and bu HOWE	his plat from der my direct ie Min. Stds. are true and	supervision, sold for Land Surveying in correct to the best	HI 2016 - All Rights Reserved
										SCALE: 1" = 1000'
										DATE: 9-20-2017
-										SURVEYED BY: BC/AS
NO.	REV	ISION	DATE						-	DRAWN BY: AIAC
JOB	NO.:	LS1709	613						7	APPROVED. BY: RMH
DWG	. NO.:	170961	3RD		30	8 W. BROADWAY ST.,	HOBBS,	NM 88240 (575) 964-8200	SHEET: 1 OF 1

NEW ACCESS ROAD PLAN

1. Proposed Access Road:

The Access Road Plat shows the footage of new access road will be required for this location. The new access road will be constructed as follows:

- A. The maximum width of the running surface will be 20'. 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.
- B. The average grade will be less than 1%.
- C. No turnouts are planned.
- D. No culverts, cattleguard, gates, low water crossings or fence cuts are necessary.
- E. Surfacing material will consist of native caliche. Caliche will be obtained from the actual well site if available. Secondary and Tertiary candidate sources are identified the "Offsite topsoil source description" in Section 2 of the SUPO.

2. Source of Construction Materials and Location "Turn-Over" Procedure:

Obtaining caliche: The 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 sight. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cu. Yards is max 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 120' X 120' area is used within the proposed well site to remove caliche.
- C. Subsoil is removed and piled alongside the 120' by 120' area within the pad site.
 - 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. 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 attached plat.

Surface Use Plan

Page 1

	, w, , w, ♦ ♦ ♦ Ø	, • 	÷ 1	
		<u>∛</u> 31 [″] [″]	20	
β Φ	36 36	• ة • ة	32	ايز بز
₽ ₹ ^E ÷	* <i>LAIK</i> A *	³ MACHO MAN	GOLDBERG	JUN
	. 5 5	بة <u>ب</u>	2 2	
	• • •			
	₩UNDS 1 FED2 COM L	ġ ġ ż		2
ET .		TWELVE-PACK	RED STRIPE & FED COM	
COM	* 5 •	EED COM	RED STRIFE OFED CON	2 2
	PARLIAMENT 1 FED COM			
	PASSION 1 FED COIM			
AN ;		CRIMAY 6 FED COM	GISSLER FED	
n	+	NEW CASTLE 6 FED COM	•	*
· · · · · · · · · · · · · · · · · · ·	CHURCHMOUSE I FED COM		\[
	* FAFTIRE 12 FED *	HOBGOBLIN 7 FED COM	· · · ·	· .
		BHL HOBGOBLIN FED	🚋 19 % 1€/E :	• -A
				• •
1	SAM ADIXMS 12 FED COM			
	* BELHÄVEN-12FED	LUGLY PUG FE	Distance to nearest wellbore 12.0 ft	
	BELHAVEN-12 FED	EOM ·		св [*] Г
	OLD RASPUTIN		Estimated Distance SHL to BHL 5,205.9 ft. EW	HDLDER
	* 12 FED COM	• • •	je : :/ #	• • • • •
				IM ESILLA
		The second second	CB : FOLONIS	• • •
			BIRDIE	HOUMA
1.1			i i i 🧀 FECERAL 🕯	
			Birgie FEDERAL , NED FEDERAL	÷ ، • ، • •
				AUNUPER
	аз н на ст т		MITINTYREDK.	
			Mcintyr	MRINTYRE *
	BORCH :		JENKINS B	E WO.C.
	KEELY UNET			BEBRÝ 'A
23	24	19: 3	• <u>• * * 20 • • •</u>	* *
				BRIGHAN
			MEINTYRE MCINTYRE MCINTYRE WICIN I YH	<u>• н•</u> М
			'B' + 'E' + X' WEST 'A' EAST	WOOLLEY
			• • • • •	WOOLLET
		<u>1</u>	CONC	<u></u>
			I 🚟 CONC	но

.

٠

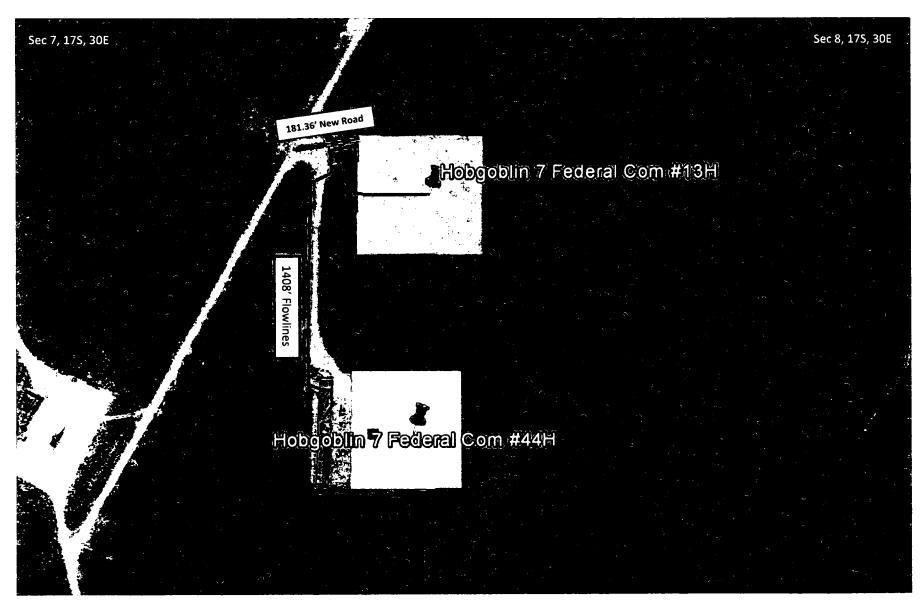
•

.

SENM Shelf Area Hobgoblin 7 Federal Com #13H SHL: 1650' FNL 1' FWL, SEC. #1175-RJOE, UNIT E BHL: 1650' FNL 10' FWL, SEC. 71175-RJOE, UNIT E

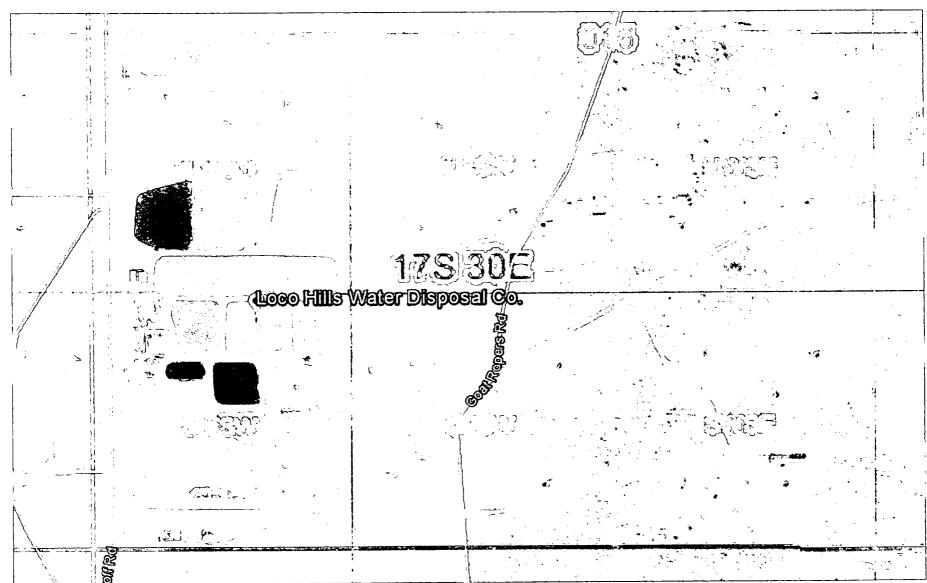
Auber: Jack Date *8 11017 All: VC SHIII Fib Pack (VC Sedants Hild Carbon Min 7 Fed Cen 188 gap

Hobgoblin 7 Federal Com #13H Flowlines Map



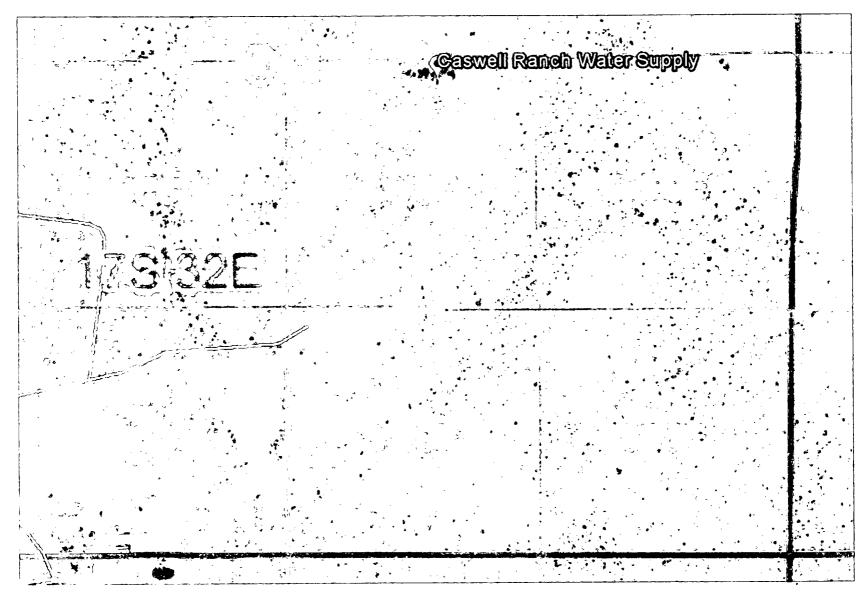
.

.



Loco Hills Water Disposal Co. Water Well Map

Caswell Ranch Water Supply Map



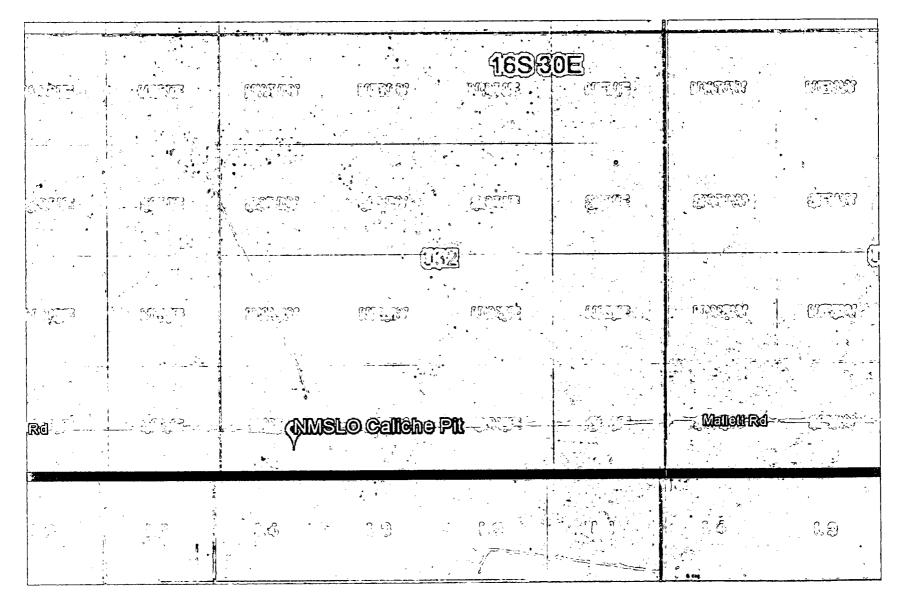
WELL SITE AND ROAD CONSTRUCTION

1. Source of Construction Materials and Location "Turn-Over" Procedure:

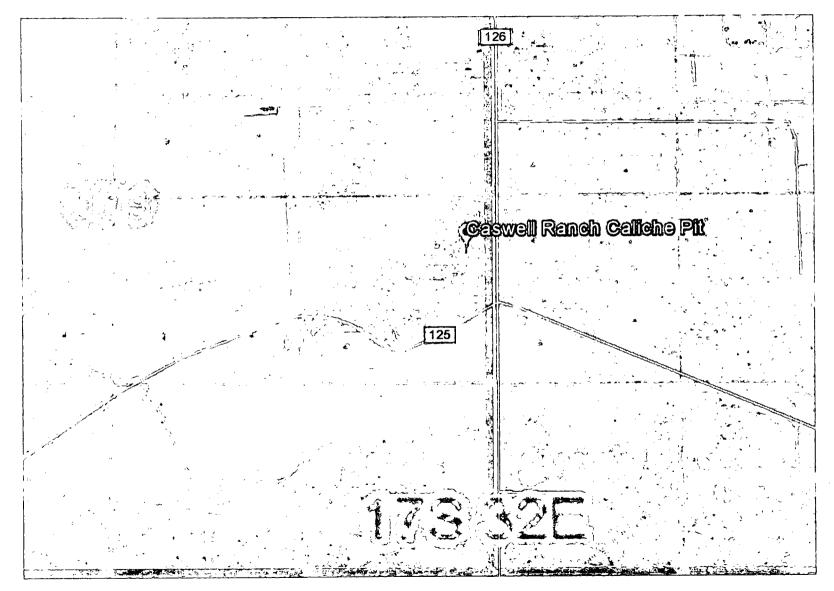
Obtaining caliche: The primary way of obtaining caliche to build locations and roads will be by "turning over" the location. This means, caliche will be obtained from the actual well sight. A caliche permit will be obtained from BLM prior to pushing up any caliche. 2400 cu. Yards is max amount of caliche needed for pad and roads. Amount will vary for each pad. The procedure below has been approved by BLM personnel:

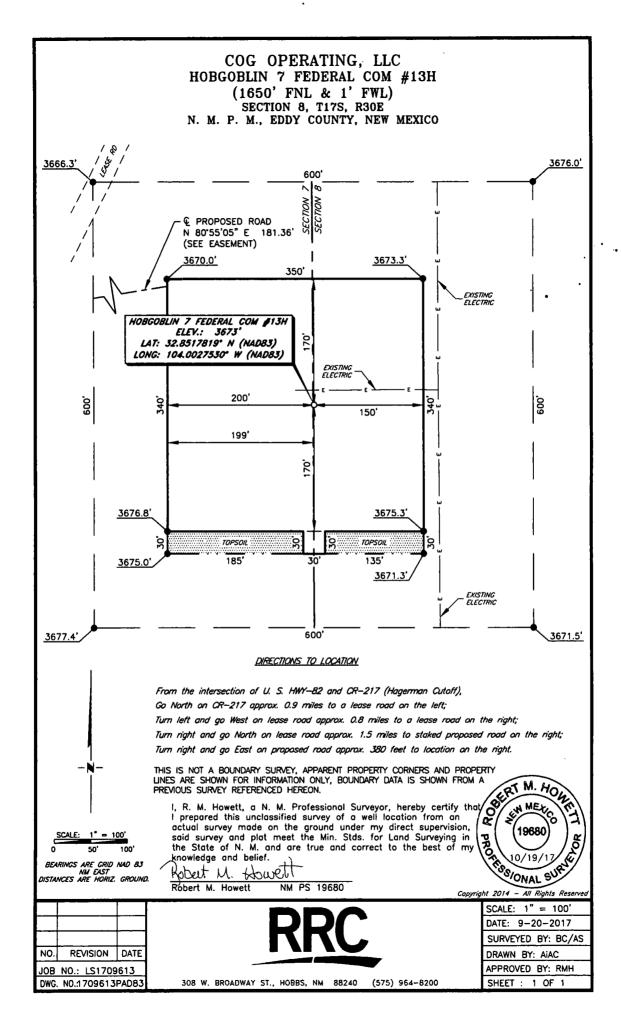
- A. The top 6 inches of topsoil is pushed off and stockpiled along the side of the location.
- B. An approximate 120' X 120' area is used within the proposed well site to remove caliche.
- C. Subsoil is removed and piled alongside the 120' by 120' area within the pad site.
- D. When caliche is found, 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. 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 attached plat.
 - In the event that no caliche is found onsite, caliche will be hauled in from a BLM approved caliche pit.

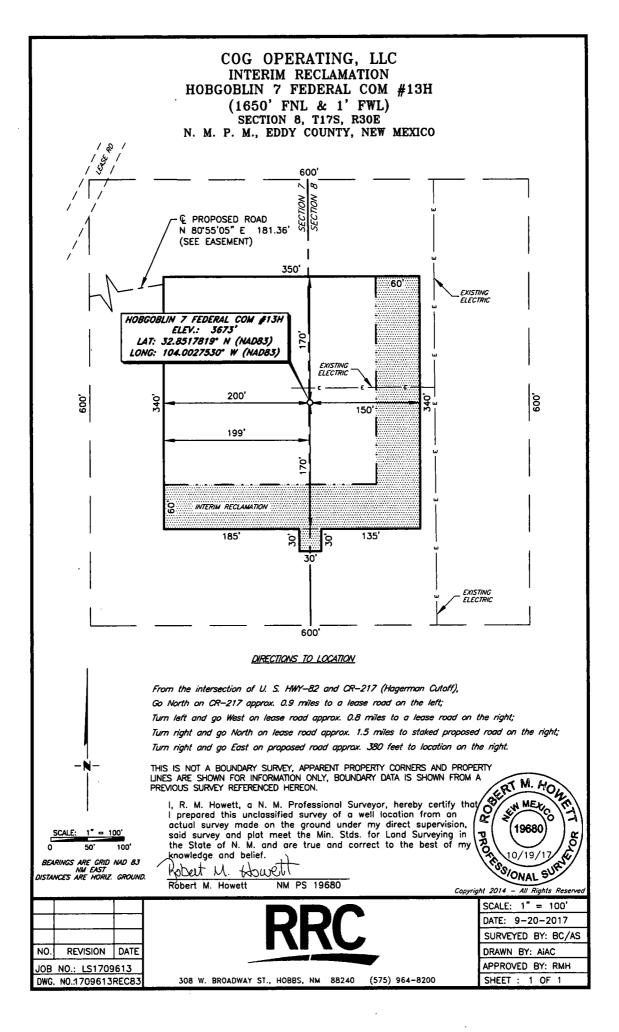
NMSLO Caliche Pit



Caswell Ranch Caliche Pit Map









U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO Produced Water Disposal (PWD) Location: **PWD** surface owner: Lined pit PWD on or off channel: Lined pit PWD discharge volume (bbl/day): Lined pit specifications: Pit liner description: Pit liner manufacturers information: Precipitated solids disposal: Decribe precipitated solids disposal: Precipitated solids disposal permit: Lined pit precipitated solids disposal schedule: Lined pit precipitated solids disposal schedule attachment: Lined pit reclamation description: Lined pit reclamation attachment: Leak detection system description: Leak detection system attachment: Lined pit Monitor description: Lined pit Monitor attachment: Lined pit: do you have a reclamation bond for the pit? Is the reclamation bond a rider under the BLM bond? Lined pit bond number: Lined pit bond amount: Additional bond information attachment:

PWD disturbance (acres):

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type:

Injection well number:

Assigned injection well API number?

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Injection well name:

Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):

FAFMSS



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB000215

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: