Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR OCD-ARTEOLA

FORM ADDROVED

19	OM B No 1004-0137 Expires: March 31, 200			
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BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NMNM86025 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of We Öıl Well□ □ Gas Well □□ Other 8. Well Name and No. McIntyre DK Federal #16 2. Name of Operator COG Operating LLC 9 API Well No. 30-015-35476 3a Address 3b. Phone No (include area code) 550 W. Texas Ave., Suite 1300 Midland, TX 79701 432-685-4340 10. Field and Pool, or Exploratory Area Loco Hills; Glorieta Yeso 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 330' FSL & 990' FWL Sec.17, T17S, R30E, Unit M Eddy, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Other Change Drilling Plan Casing Repair New Construction ☐ Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back Water Disposal 13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

COG respectfully requests permission to make the following changes to the drill plan:

Change intermediate hole to 12-1/4" or 11", and csg weight to 24# or 32#. Change production csg to 15.5 or 17# and J55 or L80 depending on availability.

Set swace casing @290

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)						
Phyllis A. Edwards	Title Regulatory Analyst					
Signature Anglies a - Edwards	Date 06/17/2009					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by Later Links	Title Petroleum Engineer Date 6-22-09					
Conditions of approval, if any, are attached. Approval of this notice does not warrancertify that the applicant holds legal or equitable title to those rights in the subject lewhich would entitle the applicant to conduct operations thereon	nt or					
Title 18 LLSC Section 1001 and Title 43 LLSC Section 1212 make it a crime for any person knowingly, and willfully to make to any department or agency of the Limited						

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Phyllis Edwards

To:

Wesley_Ingram@blm.gov

Subject:

FW: B C Federal 28 Drill Plan Change Request S

end Management

VARIOUS

6-17-09

Dear Wesley,

These APD's were permitted before changes were made to the drill plans.

Each sundry specifically asks for these changes to be reviewed. The requested changes are highlighted below.

Hole Size	Interval	OD Casing	Weight	Grade	Jt., Condition	burst/collapse/tension
17 ½"		13 3/8"	48#	H-40	ST&C/New	6.03/2.578/10.32
11″or12 ¼"		8 5/8"	24or32#	J-55	ST&C/New	1.85/1.241/4.78
7 7/8"	0-T.D.	5 1/2"	17#	J-55orL-80	LT&C/New	1.59/1.463/2.05

As always, thanks so much for your time.

Phyllis Edwards

Regulatory Analyst



COG Operating LLC

Fasken Tower II

550 W. Texas Avenue, Suite 1300

Midland, TX 79701

432-685-4340 P

432-685-4396 F

pedwards@conchoresources.com

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME: COG Operating LLC

LEASE NO.: NM - 86025

WELL NAME & NO.: | 16-McIntyre DK Federal SURFACE HOLE FOOTAGE: | 330' FSL & 990' FWL

LOCATION: Section 17, T. 17 S., R 30 E., NMPM

COUNTY: | **Eddy County, New Mexico**

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

⊠ Eddy County .

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

- 1. A Hydrogen Sulfide (H2S) Drilling Plan should be activated 500 feet prior to drilling into the <u>Grayburg</u> formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

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

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

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

Possible loss of circulation in the Grayburg and San Andres formations. Possible water flows in the Salado and Artesia Groups.

- 1. The <u>13-3/8</u> inch surface casing shall be set at approximately 290 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 a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - 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 8-5/8 inch intermediate casing is:
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.

 Casing to be set in the Tansill formation.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- 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 RP 53 Sec. 17.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **2000 (2M)** psi.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. 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.
 - d. 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.
 - e. Effective November 1, 2008, no variances will be granted on reduced pressure tests on the surface casing and BOP/BOPE. Onshore Order 2 requirements will be in effect.

D. DRILL STEM TEST

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

DHW 062209