

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

HOBBS OCD

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

JUL 16 2013

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD	5. Lease Serial No. NMNM56749
2. Name of Operator COG Operating LLC	6. If Indian, Allottee, or Tribe Name
3a. Address 2208 W. Main Street Artesia, NM 88210	7. If Unit or CA. Agreement Name and/or No.
3b. Phone No. (include area code) 575-748-6946	8. Well Name and No. Texaco Federal #2 SWD
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 2310' FEL, Unit G (SWNE) Sec 14-T19S-R33E	9. API Well No. 30-025-30943
Lat. SWD; Delaware	10. Field and Pool, or Exploratory Area
Long. Lea NM	11. County or Parish, State

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and abandon
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Plug back
	<input type="checkbox"/> Water Disposal
	<input checked="" type="checkbox"/> Other Replaced 1 Jt Tbg & Pressure Test

13. Describe Proposed or Completed Operation (clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to "deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/ BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.)

4/4/13 to 4/9/13 RU WSU. Found hole in 1 jt of tbg & replaced. Pressured csg to 525# for 96 mins. Test good. No OCD witness. E.L. Gonzales gave approval to test. Tbg & pkr set @ 6196'.

Chart attached.

See Attached

14. I hereby certify that the foregoing is true and correct.
Name (Printed/ Typed) **Stormi Davis** Title: **Regulatory Analyst**

Signature: *Stormi Davis* Date: **4/10/13**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

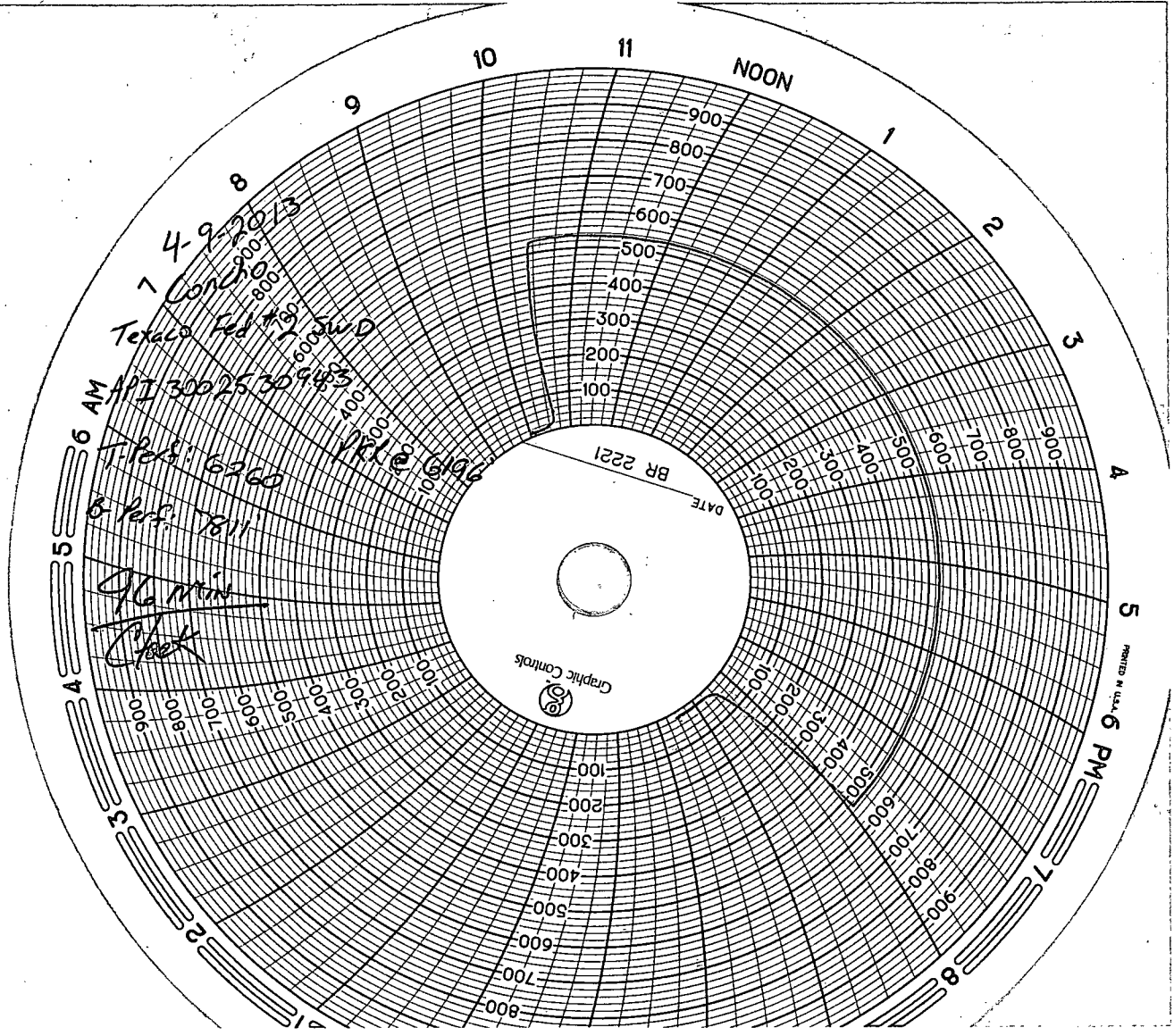
Approved by: _____ Title: _____
Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office: _____

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

(Instructions on page 2)

ACCEPTED FOR RECORD
JUL 15 2013
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT

JUL 17 2013



4-9-2013
Concho

Texaco

API 3002530943

T.P.S.: 6260

P.K.E. 696

6-Per: 7811

96 min

Check

Graphic Controls
BR 2221

PRINTED IN U.S.A. 6 PM

Order of the Authorized Officer

**COG Operating LLC
Texaco - 02
API 3002530943, T19S-R33E, Sec 14**

Well with a Packer – Future Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) Notify BLM 575-393-3612 Lea Co as work begins. Some procedures are to be witnessed. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a “Best Management Practice”. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization. Approved injection pressure compliance is required. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.

- 9) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 10) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 11) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity. A BLM inspector may request verification of a full annular fluid level at any time.
- 12) A “Best Management Practice” is to maintain the annulus full of packer fluid at atmospheric pressure. Equipment that will display on site, continuous open to the air fluid level is necessary to achieve this goal.
- 13) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 14) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 15) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM’s authorized officer (“Paul R. Swartz” <pswartz@blm.gov>, cell phone 575-200-7902). If there is no response phone 575-361-2822.
- 16) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List daily descriptions of any previously unreported wellbore workover(s) and reason(s) the well annular fluid was replaced.

Access information for **use of Form 3160-5** “Sundry Notices and Reports on Wells”

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.