Form 3160 -3 (March 2012)

Lease Serial No. NMNM0000082 <

		HOEES OCD ANG 282018 OR RECENT				
Form 3160-3 (March 2012) UNITED STATES	1	40pg 585018	Os	OMB N	APPROVI No. 1004-01 October 31, .	37
DEPARTMENT OF THE II	NTERI	OR CEIV		5. Lease Serial No. NMNM0000082 <		
BUREAU OF LAND MANA APPLICATION FOR PERMIT TO I	ORILL	OR REENTER		6. If Indian, Allotee	of Tribe	Name
la. Type of work: DRILL REENTE	R			7 If Unit of CA Agre	ement, N	me and No.
lb. Type of Well: Oil Well Gas Well Other	•	Single Zone Multip	le Zone 💪	8) Lease Name and LITTLE BEAR FED	Well No. DERAL C	[322258] OM 2H
2. Name of Operator COG OPERATING LLC [229137	']		\angle	9. API Well No. 30-025-4:) 5149	
3a. Address 600 West Illinois Ave Midland TX 79701		nc No. (include area code) (B3-7443		10. Field and Pool, or WILDCAT / BONE	SPRING	1
 Location of Well (Report location clearly and in accordance with any At surface SESE / 406 FSL / 565 FEL / LAT 32.523443 / At proposed prod. zone NESE / 2440 FSL / 745 FEL / LAT 3 	LONG	-103.558473		11. Sec. T. R. M. or B SEC 33 / T20S / R		·
14. Distance in miles and direction from nearest town or post office* 15 miles				12. County or Parish LEA		13. State NM
15. Distance from proposed* location to nearest 405 feet property of lease line, ft. (Also to nearest drig. unit line, if any)	16. No 600	of acres in lease	17. Spacin 240	g Unit dedicated to this	well	
18. Distance from proposed location* to nearest well, drilling, completed, 3143 feet applied for, on this lease, ft.		posed Depth 6 feet /18730 feet		BIA Bond No. on file MB000215		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3815 feet	C	proximate, date work will star /2017	t*	23. Estimated duratio 30 days	n	
	24. 7	Attachments		<u> </u>		
The following, completed in accordance with the requirements of Onshore 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System I SUPO must be filed with the appropriate Forest Service Office).	•	4. Bond to cover the ltem 20 above). 5. Operator certification.	e operation	is form: ns unless covered by an ormation and/or plans as	·	·
25. Signature (Electronic Submission)		lame <i>(Printed/T) ped)</i> Mayte Reyes / Ph: (575)	748-6945		Date 07/17/	2017
Title Regulatory Analyst						
Approved by (Signature) (Electronic Submission)		Name (Printed/Typed) Cody Layton / Ph; (575)2	34-5959		Date 07/13/	2018
Title Assistant Field Manager Lands & Minerals		Office CARLSBAD				
Application approval does not warrant or certify that the applicant holds conduct operations thereon. Conductions of approval, if any, are attached.	s legal o	requitable title to those right	s in the sub	ject lease which would t	entitle the	applicant to

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

(Continued on page 2)

GCP received 08/28/2018



*(Instructions on page 2)

08/28/2018

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)

Approval Date: 07/13/2018

Additional Operator Remarks

Location of Well

1. SHL: SESE / 406 FSL / 565 FEL / TWSP: 20S / RANGE: 34E / SECTION: 33 / LAT: 32 523443 / LONG: -103,558473 (TVD: 0 feet, MD: 0 feet) PPP: SESE / 2640 FNL / 745 FEL / TWSP: 20S / RANGE: 34E / SECTION: 33 / LAT: 32.529586 / LONG: -103.559065 (TVD: 11359 feet, MD: 13700 feet) PPP: SESE / 330 FSL / 745 FEL / TWSP: 20S / RANGE: 34E / SECTION: 33 / LAT: 32 523234 / LONG: -103.559057 (TVD: 6000 feet, MD: 6000 feet) BHL: NESE / 2440 FSL / 745 FEL / TWSP: 20S / RANGE: 34E / SECTION: 28 / LAT: 32.543194 / LONG: -103.559082 (TVD: 11416 feet, MD: 18730 feet)

BLM Point of Contact

Name: Priscilla Perez

Title: Legal Instruments Examiner

Phone: 5752345934 Email: pperez@blm.gov

(Form 3160-3, page 3)

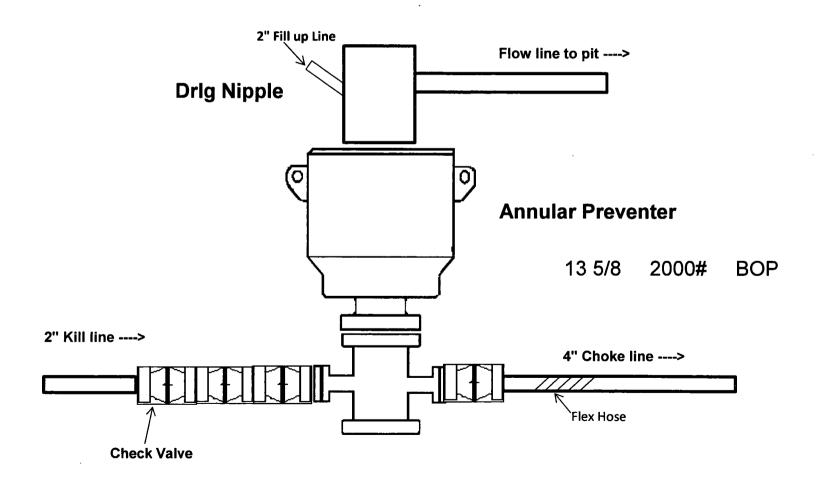
Approval Date: 07/13/2018

Review and Appeal Rights

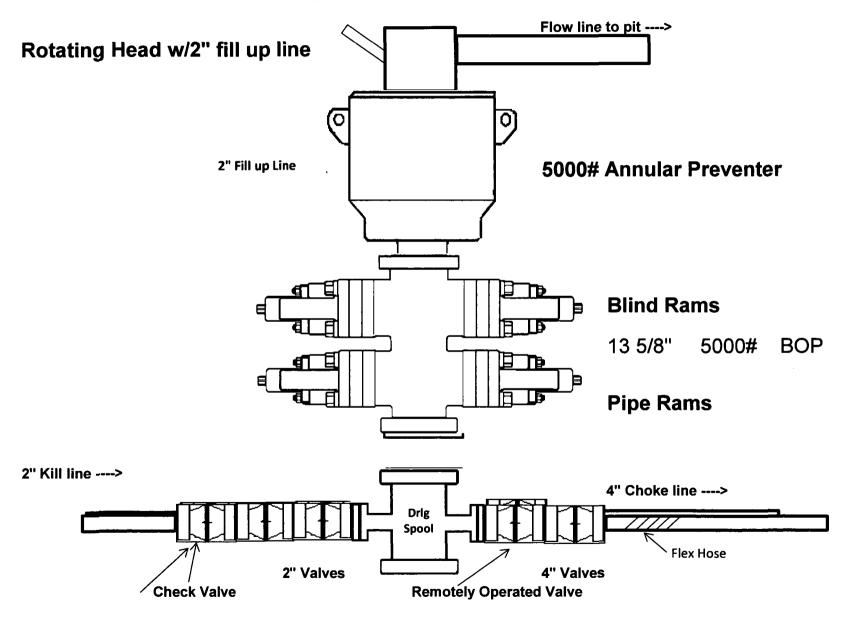
A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North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

(Form 3160-3, page 4)

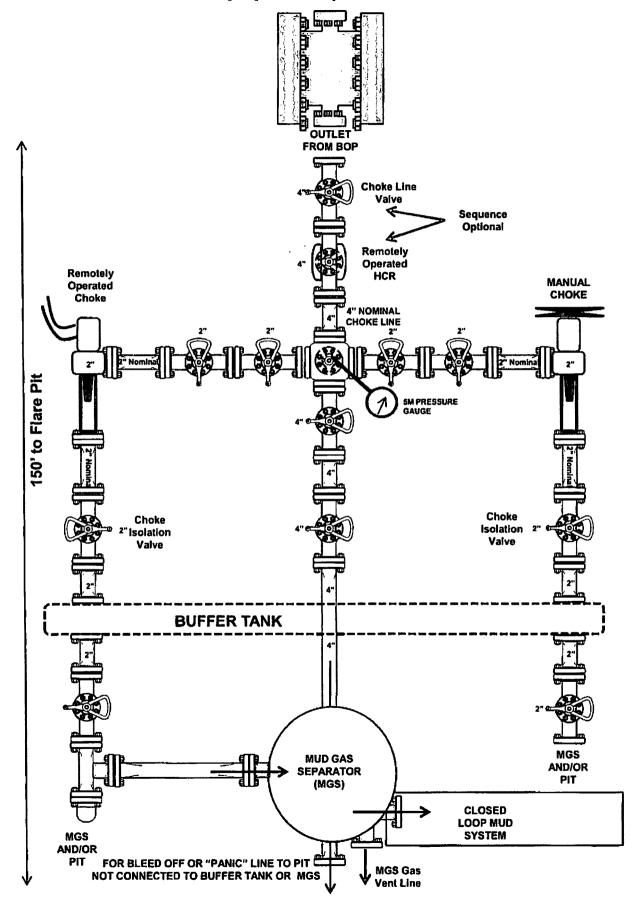
2,000 psi BOP Schematic



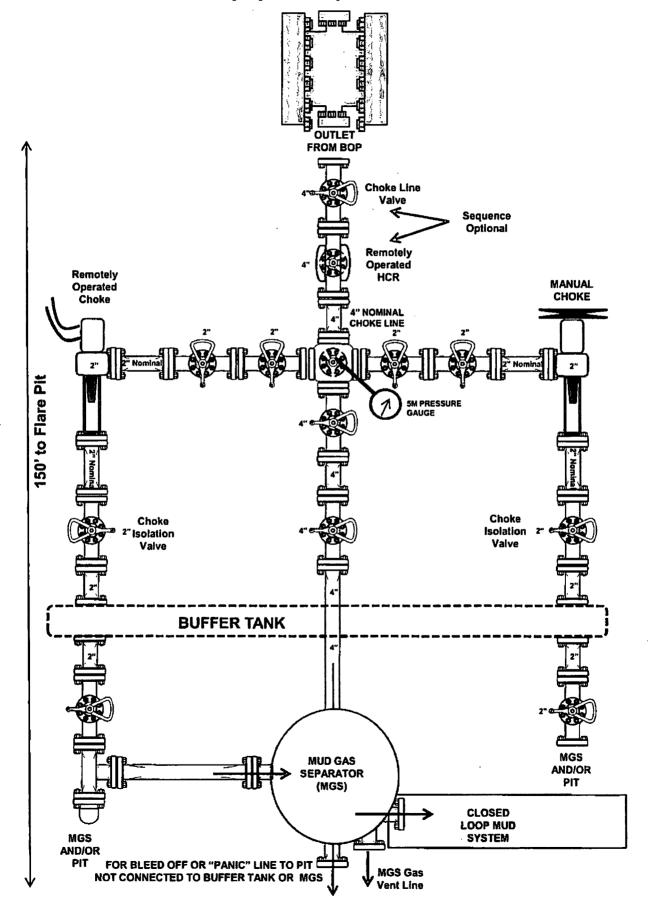
5,000 psi BOP Schematic



2M Choke Manifold Equipment (WITH MGS + CLOSED LOOP)



5M Choke Manifold Equipment (WITH MGS + CLOSED LOOP)





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

APD Print Report

APD ID: 10400016390 Submission Date: 07/17/2017

Operator Name: COG OPERATING LLC

Federal/Indian APD: FED

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Well Type: OIL WELL Well Work Type: Drill



Show Final Text

Application

Section 1 - General

APD ID: 10400016390 Tie to previous NOS?

Submission Date: 07/17/2017

HOESS OCO AUG 282018 RECEIVED

BLM Office: CARLSBAD

User: Mayte Reyes

Title: Regulatory Analyst

Federal/Indian APD: FED

Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM0000082

Lease Acres: 600

Surface access agreement in place?

Allotted?

Reservation:

Agreement in place? NO

Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO

APD Operator: COG OPERATING LLC

Operator letter of designation:

Operator Info

Operator Organization Name: COG OPERATING LLC

Operator Address: 600 West Illinois Ave

Zip: 79701

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:

Approval Date: 07/13/2018

Page 1 of 22

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Well Name: LITTLE BEAR FEDERAL COM

Well Number: 2H

Well API Number:

Field/Pool or Exploratory? Field and Pool

Field Name: WILDCAT

Pool Name: BONE SPRING

Is the proposed well in an area containing other mineral resources? POTASH

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO

New surface disturbance?

Type of Well Pad: SINGLE WELL

Multiple Well Pad Name:

Number:

Well Class: HORIZONTAL

Number of Legs:

Well Work Type: Drill Well Type: OIL WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Distance to town: 15 Miles

Distance to nearest well: 3143 FT

Distance to lease line: 405 FT

Reservoir well spacing assigned acres Measurement: 240 Acres

Well plat:

COG_Little_Bear_2H_C102_07-16-2017.pdf

Well work start Date: 09/01/2017

Duration: 30 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	MD	ΠVD
SHL Leg #1	406	FSL	565	FEL	208	34E	33	Aliquot SESE	32.52344 3	- 103.5584 73	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 000008 2	381 5	0	0
KOP Leg #1	406	FSL	565	FEL	208	34E	33	Aliquot SESE	32.52344 3	- 103.5584 73	LEA	NEW MEXI CO	.45	F		381 5	0	0
PPP Leg #1	330	FSL	745	FEL	208	34E	33	Aliquot SESE	32.52323 4	- 103.5590 57	LEA	NEW MEXI CO		F	NMNM 000008 2	- 218 5	l	600 0

Approval Date: 07/13/2018

Page 2 of 22

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
PPP Leg #1	264 0	FNL	745	FEL	208	34E	33	Aliquot SENE	32.52958 6	- 103.5590 65	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 128368	- 754 4	137 00	113 59
EXIT Leg #1	231 0	FSL	745	FEL	208	34E	28	Aliquot NESE	32.54319 4	- 103.5590 82	LEA	1	NEW MEXI CO		NMNM 003925 6	- 744 9	186 00	112 64
BHL Leg #1	244 0	FSL	745	FEL	208	34E	28	Aliquot NESE	32.54319 4	- 103.5590 82	LEA	NEW MEXI CO	NEW MEXI CO		NMNM 003925 6	- 760 1	187 30	114 16

Drilling Plan

Section 1 - Geologic Formations

Formation		·	True Vertical	Measured			Producing
	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	
1 ID	QUATERNARY	3717	Ö	Ó		NONE	No
2	RUSTLER	1951	1766	1766		NONE	No
3	TOP SALT	1856	1861	1861		NONE	No
4	BASE OF SALT	116	3601	3601		NONE	No
5	YATES	-34	3751	3751		NONE	No
6	CAPITAN REEF	-204	3921	3921		NONE	No
7		-1994	5711	5711		NONE	No
8	DELAWARE	-2154	5871	5871		NATURAL GAS,OIL	No
9	BONE SPRING	-5064	8781	8781		NATURAL GAS,OIL	No
10	UPPER AVALON SHALE	-5424	9141	9141		NATURAL GAS,OIL	No
11		-5539	9256	9256		NATURAL GAS,OIL	No
12	BONE SPRING 1ST	-6149	9866	9866		NATURAL GAS,OIL	No

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Formation Name	Elevation		1		Mineral Resources	Producing Formation
BONE SPRING 2ND	-6654	10371	10371		NATURAL GAS,OIL	No
BONE SPRING 3RD	-7524	11241	11241		NATURAL GAS,OIL	Yes
WOLFCAMP	-7699	11416	11416		NATURAL GAS,OIL	No
	BONE SPRING 3RD	BONE SPRING 2ND -6654 BONE SPRING 3RD -7524	Formation Name Elevation Depth BONE SPRING 2ND -6654 10371 BONE SPRING 3RD -7524 11241	Formation Name Elevation Depth Depth BONE SPRING 2ND -6654 10371 10371 BONE SPRING 3RD -7524 11241 11241	BONE SPRING 2ND -6654 10371 10371 BONE SPRING 3RD -7524 11241 11241	Formation Name Elevation Depth Depth Lithologies Mineral Resources BONE SPRING 2ND -6654 10371 10371 NATURAL GAS,OIL BONE SPRING 3RD -7524 11241 11241 NATURAL GAS,OIL

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 5750

Equipment: Annular. The BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Requesting Variance? YES

Variance request: A variance is requested for the use of a flexible choke line from the BOP to choke manifold. See attached for specs and hydrostatic test chart.

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

Choke Diagram Attachment:

COG_Little_Bear_2H_2M_Choke_07-16-2017.pdf

BOP Diagram Attachment:

COG_Little_Bear_2H_2M_BOP_07-16-2017.pdf
COG_Little_Bear_2H_Flex_Hose_20180323073811.pdf

Pressure Rating (PSI): 5M

Rating Depth: 11416

Equipment: Annular. The BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold.

Requesting Variance? NO

Variance request: A variance is requested for the use of a flexible choke line from the BOP to choke manifold. See attached for specs and hydrostatic test chart.

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

Choke Diagram Attachment:

COG_Little_Bear_2H_5M_Choke_20180323073947.pdf

BOP Diagram Attachment:

COG_Little_Bear_2H_5M_BOP_20180323073953.pdf

Approval Date: 07/13/2018

Well Name: LITTLE BEAR FEDERAL COM

Well Number: 2H

COG_Little_Bear_2H_5M_Choke_20180323073947.pdf

COG_Little_Bear_2H_Flex_Hose_20180323074001.pdf

Section 3 - Casing

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	LC
1	SURFACE	17.5	13.375	NEW	API	N	0	1800	0	1800	-7544	-9229	1800	J-55	54.5	STC	1.32	1	DRY	5.24	DRY	5.
	INTERMED IATE	12.2 5	9.625	NEW	API	Υ	0	4500	o	4500	-7544	- 13304	4500	J-55		OTHER - BTC	1.12 5	0.83	DRY	2.74	DRY	2.
	PRODUCTI ON	8.75	5.5	NEW	API	N	0	18730	0	18730	_	- 23817	18730	P- 110	ı	OTHER - BTC	1.37	1	DRY	2.81	DRY	2.

Casing Attachments

Casing ID: 1

String Type:SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

COG_Little_Bear_2H_Casing_Plan_07-16-2017.pdf

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Casing Attachments

Casing ID: 2

String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

COG_Little_Bear_2H_Casing_Plan_07-16-2017.pdf

Casing Design Assumptions and Worksheet(s):

COG_Little_Bear_2H_Casing_Plan_07-16-2017.pdf

Casing ID: 3

String Type:PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $COG_Little_Bear_2H_Casing_Plan_07-16-2017.pdf$

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	1800	900	1.75	13.5	1575	50	Lead: Class C	4% Gel
SURFACE	Tail		0	1800	250	1.34	14.8	335	50	С	2% CaCl
INTERMEDIATE	Lead		0	5750	300	1.98	12.7	594	50	Lead: 35:65:6 C Blend	No additives
INTERMEDIATE	Tail		0	5750	250	1.34	14.8	335	50	Tail: Class C	2% CaCl

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
PRODUCTION	Lead		0	1873 0	800	2.5	11.9	2000	35	Lead: 50:50:10 H Blend	No additives
PRODUCTION	Tail		0	1873 0	2050	1.24	14.4	2542	35	Tail: 50:50:2 Class H Blend	No additives

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

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	Н	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
5750	5760	OTHER : Saturated Brine	10	10.2							Saturated Brine
5750	1873 0	OTHER : Cut Brine	8.9	9.2							Cut Brine
0	1800	OTHER : FW gel	8.4	8.6							FW Gel

Approval Date: 07/13/2018 Page 7 of 22

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Section 6 - Test, Logging, Coring

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

None planned

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

CNL,GR

Coring operation description for the well:

None planned

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5461

Anticipated Surface Pressure: 2949.48

Anticipated Bottom Hole Temperature(F): 170

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:

COG_Little_Bear_2H_H2S_Schem_07-16-2017.pdf COG_Little_Bear_2H_H2S_SUP_07-16-2017.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

COG_Little_Bear_2H_Directional_07-16-2017.pdf

Other proposed operations facets description:

None

Other proposed operations facets attachment:

COG_Little_Bear_2H_Drilling_Plan_20180323074021.pdf

Other Variance attachment:

SUPO

Approval Date: 07/13/2018 Page 8 of 22

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

COG_Little_Bear_2H_Existing_Rd_07-17-2017.pdf

Existing Road Purpose: ACCESS

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: The Location Verification Map shows that 6,644.2' of new access road will be required for this location, If any road is required it will be constructed as follows: The maximum width of the running surface will be 14'. The road will be crowned, ditched and constructed of 6" rolled and compacted caliche. Ditches will be at 3:1 slope and 4 feet wide. Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

COG_Little_Bear_2H_Maps_Plats_07-17-2017.pdf

New road type: RESOURCE

Length: 6644.2

Feet

Width (ft.): 30

Max slope (%): 33

Max grade (%): 1

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: Water will be diverted where necessary to avoid ponding, prevent erosion, maintain good drainage, and to be consistent with local drainage patterns.

New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Approval Date: 07/13/2018

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: Caliche

Access onsite topsoil source depth: 6

Offsite topsoil source description:

Onsite topsoil removal process: Blading

Access other construction information: No turnouts are planned. Re-routing access road around proposed well location.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: None necessary

Road Drainage Control Structures (DCS) description: None needed.

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:

COG_Little_Bear_2H_1Mile_Data_07-17-2017.pdf

Existing Wells description:

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

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: A tank battery and facilities will be constructed as shown on the Production Facility Layout. The tank battery and facilities including all flow lines and piping will be installed according to API specifications.

Section 5 - Location and Types of Water Supply

Water Source Table

Approval Date: 07/13/2018 Page 10 of 22

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Water source use type: ICE PAD CONSTRUCTION &

MAINTENANCE, STIMULATION, SURFACE CASING

Describe type: Fresh Water

Source latitude:

Source longitude:

Water source type: OTHER

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: PRIVATE

Water source volume (barrels): 337500 Source volume (acre-feet): 43.50142

Source volume (gal): 14175000

Water source use type: INTERMEDIATE/PRODUCTION CASING Water source type: OTHER

Describe type: Brine Water

Source latitude: Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: COMMERCIAL

Water source transport method: TRUCKING

Source transportation land ownership: COMMERCIAL

Water source volume (barrels): 22500 Source volume (acre-feet): 2.9000947

Source volume (gal): 945000

Water source and transportation map:

COG_Little_Bear_2H_Fresh_H2O_07-17-2017.pdf COG_Little_Bear_2H_Brine_H2O_07-17-2017.pdf

Water source comments: Fresh water will be furnished by Danny Berry water well located in Section 34, T20S, R34E, the water will be purchased from Danny Berry 575-369-5266, or If a commercial fresh water source is nearby, fast line may be laid along existing road ROW's and fresh water pumped to the well. No water well will be drilled on the location. Brine water will be provided by Salty Dog Brine Station, located in Section 5, T19S, R36E. or if necessary commercial water stations in the area and hauled to location by transport truck over the existing and proposed access roads shown in road maps.

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 aquifer:

Aquifer comments:

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Aquifer documentation:

Well depth (ft):

Well casing type:

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Caliche will be obtained from the actual well site. If caliche does not exist or is not plentiful from the well site, the caliche will be hauled from Danny Berry caliche pit, pit, located in Section 28, T20S, R34E. Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: SEWAGE

Waste content description: Human waste and gray water

Amount of waste: 1000

gallons

Waste disposal frequency: One Time Only

Safe containment description: Waste will be properly contained and disposed of properly at a state approved disposal

facility.

Safe containment attachment:

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

FACILITY

Disposal type description:

Disposal location description: Trucked to an approved disposal facility

Waste type: DRILLING

Waste content description: Drilling fluids and produced oil land water while drilling and completion operations

Amount of waste: 6000

barrels

Waste disposal frequency: One Time Only

Safe containment description: All drilling waste will be stored safely and disposed of properly

Safe containment attachment:

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

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

FACILITY

Disposal type description:

Disposal location description: Trucked to an approved disposal facility

Waste type: GARBAGE

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

Amount of waste: 500

pounds

Waste disposal frequency: One Time Only

Safe containment description: Garbage and trash produced during drilling and completion operations will be collected in a

trash container and disposed of properly at a state approved disposal facility

Safe containment attachment:

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

FACILITY

Disposal type description:

Disposal location description: Trucked to an approved 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

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? YES

Description of cuttings location Roll off cutting containers on tracks

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

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: YES

Ancillary Facilities attachment:

COG Little Bear 2H GCP 07-17-2017.pdf

Comments: Gas Capture Plan attached

Section 9 - Well Site Layout

Well Site Layout Diagram:

COG_Little_Bear_2H_Prod_Facility_07-17-2017.pdf

Comments: A tank battery and facilities will be constructed as shown on the Production Facility Layout. The tank battery and facilities including all flow lines and piping will be installed according to API specifications.

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: Due to the topography, there will be a need to construct a total of 900' of waddles across the south, east, and portions of the northwest corner of the location. A individual well battery will be located and bermed on the north and northwest side of the location which will prevent surface runoff.

Drainage/Erosion control reclamation: N/A

Wellpad long term disturbance (acres): 3.03 Wellpad short term disturbance (acres): 3.67

Access road long term disturbance (acres): 2.14 Access road short term disturbance (acres): 2.14

Pipeline long term disturbance (acres): 0 Pipeline short term disturbance (acres): 0

Other long term disturbance (acres): 0 Other short term disturbance (acres): 0

Total long term disturbance: 5.17 Total short term disturbance: 5.81

Disturbance Comments:

Reconstruction method: Portions of the pad 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. The stockpiled topsoil will be spread out over reclaimed area and reseeded with BLM approved seed mixture.

Topsoil redistribution: East 70'

Soil treatment: None

Existing Vegetation at the well pad: Shinnery Oak/Mesquite grassland

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	3	
Operator Name: COG OPERATING LLC		
Well Name: LITTLE BEAR FEDERAL COM	Well Number: 2H	
Existing Vegetation at the well pad attachm	ent:	
Existing Vegetation Community at the road	: Shinnery Oak/Mesquite grassland	
Existing Vegetation Community at the road	attachment:	
Existing Vegetation Community at the pipel	line: Shinnery Oak/Mesquite grassland	
Existing Vegetation Community at the pipel	line attachment:	
Existing Vegetation Community at other dis	sturbances: N/A	
Existing Vegetation Community at other dis	sturbances attachment:	
Non native seed used? NO		
Non native seed description:		
Seedling transplant description:		
Will seedlings be transplanted for this proje	ect? NO	
Seedling transplant description attachment	:	
Will seed be harvested for use in site reclar	mation? NO	
Seed harvest description:		
Seed harvest description attachment:		
Seed Management		
Seed Table		
Seed type:	Seed source:	
Seed name:		
Source name:	Source address:	
Source phone:		
Seed cultivar:		
Seed use location:		
PLS pounds per acre:	Proposed seeding season:	

Seed Summary

Total pounds/Acre:

Seed Type Pounds/Acre

Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Rand

Last Name: French

Phone: (432)254-5556

Email: rfrench@concho.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: N/A

Weed treatment plan attachment:

Monitoring plan description: N/A

Monitoring plan attachment:

Success standards: N/A

Pit closure description: N/A

Pit closure attachment:

COG Little Bear 2H_Closed_Loop_07-17-2017.pdf

Section 11 - Surface Ownership

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:

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Operator Name: COG OPERATING LLC Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H **Military Local Office: USFWS Local Office: Other Local Office: USFS** Region: **USFS Forest/Grassland: USFS Ranger District: Section 12 - Other Information** Use APD as ROW? Right of Way needed? NO ROW Type(s): **ROW Applications SUPO Additional Information:** Use a previously conducted onsite? YES Previous Onsite information: Onsite completed on 04/12/2017 by Gerald Herrera (COG); Jeff Robertson (BLM) and James Rutley (BLM). **Other SUPO Attachment**

COG_Little_Bear_2H_Certification_07-17-2017.pdf

PWD

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

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:

PWD disturbance (acres):

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?

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

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:

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Injection well name:

Assigned injection well API number?

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:

PWD disturbance (acres):

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:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:

Bond Info

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:

Operator Certification

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: Mayte Reyes Signed on: 07/16/2017

Title: Regulatory Analyst

Street Address: 2208 W Main Street

City: Artesia State: NM Zip: 88210

Phone: (575)748-6945

Email address: Mreyes1@concho.com

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Well Name: LITTLE BEAR FEDERAL COM Well Number: 2H

Field Representative

Representative Name: Rand French
Street Address: 2208 West Main Street

City: Artesia State: NM

Phone: (575)478-6940

Email address: rfrench@concho.com

Payment Info

Zip: 88210

Payment

APD Fee Payment Method: PAY.GOV

pay.gov Tracking ID: 263M0ER7

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1. Geologic Formations

TVD of target	11,416'	Pilot hole depth	11,700'
MD at TD:	18,730'	Deepest expected fresh water:	702'

Basin

Formation	Depth (TVD)	Water/Mineral Bearing/ Target Hazard	s*
	from KB	Zone?	
Rustler	1766	Water	
Top of Salt	1861	Salt	
BOS (Castile)	3601	Anhydrite	
Yates	3751	Barren	
Reef	3921	Water	
Base of Reef (BLCN)	5711	Water	
Top of Delaware	5871	Oil/Gas	
Bone Spring (BSGL)	8781	Oil/Gas	
U Avalon Shale	9141	Oil/Gas	
L Avalon Shale	9256	Oil/Gas	
1 st Bone Spring Sand	9866	Oil/Gas	
2 nd Bone Spring Sand	10371	Oil/Gas	
3 rd Bone Spring Sand	11241	Target Oil/Gas	
Wolfcamp	11416	Oil/Gas	

2. Casing Program

Hole	Casing	Interval	Csg. Size	Weight	Grade	Conn.	SF	SF	SF
Size	From	То		(lbs)			Collapse	Burst	Tension
17 ½"	0'	1,800'	13 3/8"	54.5	J55	STC	1.32	1.0	5.24
12 1/4"	0'	4,500'	9 5/8"	40	J55	BTC	1.125	0.83	2.74
12 1/4"	4500'	5,750'	9 5/8"	40	L80	BTC	1.125	1.06	2.74
8 3/4"	0'	18,730'	5 1/2"	17	P110	BTC	1.37	1.94	2.81
				BLM Mini	mum Safet	y Factor	1.125	1	1.6 Dry
									1.8 Wet

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

- Burst SF on J-55 Int is 0.83 > 0.7
- Intermediate casing will be kept 1/3 full to avoid approaching collapse rating.
- Plug back PH with Class H (17.2 ppg, 0.98 cf/sk) cement.

	Y or N
Is casing new? If used, attach certification as required in Onshore Order #1	Y
Does casing meet API specifications? If no, attach casing specification sheet.	Y
Is premium or uncommon casing planned? If yes attach casing specification sheet.	N
Does the above casing design meet or exceed BLM's minimum standards? If not provide	N
justification (loading assumptions, casing design criteria). (Assumption bulleted above)	l
Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing?	Y
Is well located within Capitan Reef?	Y
If yes, does production casing cement tie back a minimum of 50' above the Reef?	Y
Is well within the designated 4 string boundary.	N
T III - I' CODAI P 111 PO	NT
Is well located in SOPA but not in R-111-P?	N
If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back	
500' into previous casing?	
Is well located in R-111-P and SOPA?	Y
If yes, are the first three strings cemented to surface?	Y
Is 2 nd string set 100' to 600' below the base of salt?	N
Is well located in high Cave/Karst?	N
If yes, are there two strings cemented to surface?	N
(For 2 string wells) If yes, is there a contingency casing if lost circulation occurs?	
Is well located in critical Cave/Karst?	N
If yes, are there three strings cemented to surface?	N

2. Cementing Program

Casing	# Sks	Wt. lb/ gal	Yld ft3/ sack	H ₂ 0 gal/sk	500# Comp. Strength (hours)	Slurry Description		
Surf.	900	13.5	1.75	9.6	12	Lead: Class C + 4% Gel		
	250	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl		
Inter.	300	12.7	1.98	10.6	16	Lead: 35:65:6 C Blend		
Stage 1	250	14.8	1.34	6.34	8	Tail: Class C + 2% CaCl		
					DV @ 3	800'		
Inter.	800	12.7	2	10.6	16	Lead: Class C + 4% Gel + 1% CaCl2		
Stage 2	100	14.8	1.35	6.34	8	Tail: Class C + 2% CaCl		
5.5 Prod	800	11.9	2.5	19	72	Lead: 50:50:10 H Blend		
	2050	14.4	1.24	5.7	19	Tail: 50:50:2 H Blend		
Casing String				TOC		% Excess		
Surface				0'		50%		
Intermediate Stage			(0,		50%		
Production			(0'		35%		

4. Pressure Control Equipment

A variance is requested for the use of a diverter on the surface casing. See attached for schematic.

BOP installed and tested before drilling which hole?	Size?	System Rated WP	Туре		1	Tested to:
		2М	Anr	nular	X	2000 psi
	13-5/8"		Blind Ram			
12-1/4"			Pipe Ram			214
			Double Ram			2M
			Other*			
			Annular		X	50% testing pressure
			Blind Ram		X	
8-3/4"	13-5/8"	5M	Pipe	Ram	X	5M
			Doub	le Ram		5M
			Other*			

^{*}Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

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

Y	Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.		
Y	A variance is requested for the use of a flexible choke line from the BOP to Choke Manifold. See attached for specs and hydrostatic test chart.		
	N Are anchors required by manufacturer?		
N	A multibowl wellhead is being used. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days. If any seal subject to test pressure is broken the system must be tested.		
	See attached schematic.		

5. Mud Program

De	pth	Type	Weight (ppg)	Viscosity	Water Loss
From	To				
0	Surf. shoe	FW Gel	8.4	28-29	N/C
surf	Int shoe	Saturated Brine	10	28-29	N/C
Int Shoe	Lateral TD	Cut Brine	8.9-9.2	28-29	N/C

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

What will be used to monitor the loss or gain	PVT/Pason/Visual Monitoring
of fluid?	

6. Logging and Testing Procedures

Logg	Logging, Coring and Testing.			
Y	Will run GR/CNL from TD to surface (horizontal well – vertical portion of hole). Stated			
	logs run will be in the Completion Report and submitted to the BLM.			
N	No Logs are planned based on well control or offset log information.			
N	Drill stem test? If yes, explain			
N	Coring? If yes, explain – NA			

7. Drilling Conditions

Condition	Specify what type and where?
BH Pressure at deepest TVD	5461 psi
Abnormal Temperature	No

Hydrogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the operator will comply with the provisions of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and formations will be provided to the BLM.

N	H2S is present	
Y	H2S Plan attached	

8. Other facets of operation

Is this a walking operation? NO. If yes, describe. Will be pre-setting casing? NO. If yes, describe.

Attachments			
Y	Directional Plan		
	Anti-collision plan		
_	Anti-collision plot		